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U.S., EU, ROK Negotiate on Top WTO Post

ROK Urged To Withdraw Candidacy

SK2103052495 Seoul YONHAP in English 0327 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—South Korea is considering accepting the post of deputy director general of the World Trade Organization (WTO) in return for withdrawing from the two-way race for the top post for the world's economic body, officials of the Ministry of Foreign Affairs said Tuesday.

"The United States and European Union (EU) recently offered Korea the post of the deputy director general in return for Kim Chol-su withdrawing from the race for the top post of the WTO," the officials said.

Negotiations are underway between South Korea, the United States and the EU in Washington on the issue, they said.

Renatto Ruggiero, former Italian trade minister who is a strong candidate for the first WTO director general, is now in Washington to negotiate with the U.S. officials and South Korean officials to narrow differences over the tense competition for the WTO director general, according to the officials.

The officials expect a brief joint statement to be released in Washington on three-way agreement on the selection of the WTO chief soon.

"It is, however, unlikely that Kim Chol-su will take the post of deputy director general considering the fact that there's no precedent in which candidates for chief posts of international organizations to assume deputy seats after failing to successfully launch election campaigns," said the officials.

They refused to go further on who then will assume the post of the new deputy director general for South Korea.

The WTO currently set aside three posts of deputy director generals for India, the United States and Mexico and the WTO Board of Executives will have to approve the establishment of an additional deputy post for South Korea, although South Korea, the United States and EU reached a final agreement on the issue, according to the officials.

The acceptance of the deputy director general's post will be the next best choice for the country and the government decided to accept the offer because the country could actively take part in the world's major economic body, said the officials.

They, however, added that the final three-way agreement will have to be subjected to the general meeting of the WTO next week in Geneva.

ROK To Accept Deputy Position

SK2103071295 Seoul YONHAP in English 0653 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—The South Korean Government will not consider any candidate other than Trade Ambassador Kim Chol-su for the post of deputy director general of the newly launched World Trade Organization (WTO) which was offered to the country in return for Kim's withdrawal from the two-way race for the WTO chief post, informed sources said Tuesday.

"When the South Korean Government engaged itself in negotiations with the United States and European Union in Washington over the past several days to settle the deadlock over the selection of the first WTO chief, it had in mind Kim as the deputy director general of the WTO as the next best choice," said a source who refused to be identified.

The government plans to formally announce Kim's withdrawal in Geneva in a few days when the core group and general meeting of the WTO will endorse the unofficial formula reached between South Korea, the United States and European Union early Tuesday, according to him.

The government informed Japan, Australia and other Asian countries, strong supporters of South Korea in the competition for the WTO chief, of the decision, said the source, who added that the government had already received favorable responses from Japan, Australia and other countries.

"We did our best in the competition process, although the votes we gathered are less than those of Renato Ruggiero," said the source.

"We, as a country having a deputy director general of the WTO, will continue to do our best to bridge the gap between developed and developing countries in the world trade body," he said.

"We can pay the debt to those countries which supported the country by playing a role in bridging that gap," said the source.

In offering the new deputy post, the United States and EU took into consideration the fact that the current three deputy posts in the General Agreement on Tariffs and Trade (GATT) cannot meet the growing demands in such fields as agriculture, intellectual property rights and a variety of services which the WTO should deal with differently than its predessor GATT, said the source.

He said that the post of deputy director general of the WTO will be the highest post in an international organization to be held by a South Korean, adding that Kim Chol-su still has the chance to be selected as the chief of the WTO after serving his three-year term as the deputy director general.

The WTO secretariat currently has only two deputy section chief-level officials.

Japan

Envoy To Seek U.S. Consensus on Loan to Iran

OW2103120795 Tokyo ASAHI SHIMBUN in Japanese 21 Mar 95 Morning Edition p 3

[FBIS Translated Text] The Japanese Government's planned second yen loan to finance the construction of a huge dam in Iran has run into a snag due to opposition from the United States which has branded Iran a "terrorism-sponsoring state." The Foreign Ministry held a meeting of senior officials on 20 March to discuss how to deal with the second yen loan to Iran. A senior Foreign Ministry official says the consensus at the meeting was that "it is not a good policy" for Japan to provide the second yen loan to Iran at a time when the United States is increasingly opposed to it. Because of this, the Foreign Ministry has decided to postpone making a final decision on whether to provide the second yen loan to Iran. The Foreign Ministry also decided to look for ways to elicit understanding from the United States by sending an "envoy" who will convey the Japanese Government's views to the U.S. Administration.

The meeting was also attended by government representative Nobuo Matsunaga who met with Iranian President Rafsanjani during his visit to Iran in early March. According to a Foreign Ministry official, attendees at the meeting focused on exchanging views on the U.S. stand on the second yen loan.

Conoco, a major U.S. oil company, and the Iranian state-run oil company struck a deal early this month on the development of Iran's offshore oil fields, but the deal was scrapped because of the U.S. Government's intervention. Senator Alfonse D'Amato has submitted a bill to Congress "prohibiting U.S. corporations and their subsidiaries from importing oil from Iran." In this way the United States has increasingly tightened its stranglehold on Iran.

The attendees discussed matters concerning the second yen loan to Iran, taking into account this tough U.S. stance on Iran. Government representative Nobuo Matsunaga, Deputy Foreign Minister Hiroshi Fukuda, and Kensaku Hogen, chief of the Middle Eastern and African Affairs Bureau, are being mentioned as possibilities as the "envoy" to be sent to Washington. The Foreign Ministry's position is that "since Japan has already provided the first yen loan to Iran, it is difficult for Japan to halt the second yen loan to that country," (according to a senior Foreign Ministry official). Some lawmakers in the ruling parties are raising doubts about the yen loans to Iran, asking: "Is it necessary for Japan to provide the yen loans to Iran?"

Terrorists' Possible Use of Sarin Speculated

LD2003195895 London THE SUNDAY TIMES in English 19 March 95 p 15

[Article from the "World News" section by Jonathan Annells and James Adams: "Did Terrorists Kill With Deadly Nerve Gas Test?"]

[FBIS Transcribed Text] THE NIGHT of June 27 last year was unusually hot in the resort city of Matsumoto, which lies 125 miles northwest of Tokyo in the splendour of the Japanese Alps. Yoshiyuki Kono, a machinery salesman, spent the evening with his wife, Sumiko, in their traditional wooden house near Matsumoto's 16th-century castle.

At about 11 pm, Sumiko complained of feeling ill. Kono told her to lie down and rest while he went outside to see why his dogs were barking. He found a horrible sight.

"One dog was already dead and the other was having convulsions. I called my wife but there was no answer; so I came in and she was having convulsions so severe that I called the ambulance, and in a few minutes I was having symptoms," Kono, 45, recalled last week.

"It was like wearing very strong glasses...shapes became distorted, and I started hearing things, had nausea, and the light broke up into several colours."

Kono was the first to call the emergency services to what rapidly turned out to be a horrifying incident. So horrifying that, after long analysis, western intelligence agencies are convinced it involved terrorists.

They fear that sarin, a chemical weapon described as "the poor man's atomic bomb", is in the hands of a terrorist group, presumed to be the Japanese Red Army Faction. Alarmed at the conclusion their investigations point to, Japanese police and security services are racing to catch the killers before they commit mass slaughter.

The Matsumoto incident struck down hundreds of people in an area 500 yards long by 100 yards wide. All experienced tunnel vision, breathing difficulties and nausea-sea. Matsumoto's hospitals were flooded with 264 casualties suffering similar symptoms. Among the victims were fire and ambulance workers who arrived without protective masks. Birds dropped dead from the sky and lifeless goldfish floated up to the surface of a large pond next to the Konos' house.

"Suddenly it was dark, as if the light had gone off," said Tadaoki Matsuzawa, 34, a pharmaceutical salesman who lived on the ground floor of a block of flats next door to the Konos. He had just finished a telephone call and was having a glass of wine and watching television when he felt ill.

"I started vomiting and at first I thought something was wrong with the wine-that perhaps some farming chemicals were in it," he said.

Matsuzawa was hospitalised for a week and took two months to recover fully, but others were not so lucky. Five people were dead on arrival at hospital, and two more died later. They suffered agonies. Police reported finding their tatami mats clawed to shreds where the victims had writhed.

Emergency workers were baffled. A gas leak was ruled out, so was chlorine poisoning. But on July 3, traces of what was believed to be isopropyl methyl phosphonofluoridate, or sarin, were collected from soil, air and water samples taken from Kono's house, the pond and neighbouring buildings where people had died.

The news was shocking: Sarin is a colourless, odourless nerve gas, 20 times more lethal than potassium cyanide. Just O.Olmg per 1 kilo of body weight—a pinprick-sized droplet—will kill. It was developed by the Nazis in the 1930s and is slighty heavier than air, so it hovers close to the ground to ensure maximum fatalities. It was used during the Iran-Iraq war, and to murderous effect by the Iraqis against Kurdish rebels in the late 1980s. Allied troops feared its use in the Gulf war.

What made its detection in this Japanese resort so disturbing was that this would be the first recorded case of its use anywhere in the world by other than a military agency. Who was responsible?

The first reaction was disbelief. But doctors confirmed that sarin had killed all seven victims. In each case, the cause of death had been either respiratory failure or cardiac arrest from the vain struggle to breathe as they choked on their own mucus and saliva. Sarin acts on the vagal nervous system by inhibiting the enzyme cholinesterase (CHE), lowering the pulse rate and oxygenation and increasing the excretion of mucus. For survivors, it takes months for CHE levels to return to normal and there is the risk of long-term damage to eyes, lungs and digestive systems.

"The symptoms were miosis [pinhole pupils] and a very low serum level of cholinesterase. If it is organophosphate poisoning the level is very low. This is a characteristic feature and there is no other possibility." said Dr Mikio Zhimizu, of the department of emergency medicine at Nagano prefectural hospital, who treated some of the victims. He is a member of a panel of doctors which is due to publish a report on the treatment of sarin poisoning later this month.

The local police, either by design or short-sightedness, chose to ignore the broader implications of the fact that sarin had been used on their doorstep. They sought a local culprit and chose Kono.

Kono's life has been changed for ever by the events of that night, if not ruined. his wife lies in a coma with massive brain damage caused by oxygen starvation; he spent 33 days in hospital himself; and he is still unable to return to work because he is hyperactive and his brain cannot regulate his body temperature.

Although he was never charged, he was identified nationwide as the main suspect by newspapers after police removed canisters of chemicals from his house, interrogated him and leaked the information that years earlier he had been a salesman for an industrial chemicals manufacturer. A story went round the world that he had accidentally created the deadly gas by mixing chemicals to kill weeds in his garden.

Kono later established that the chemicals in his house included photographic developing fluid and that none could create sarin. "as far as I know from the news, somebody had gone into the parking lot or pond and mixed the binary ingredients [of sarin], and the wind blew it towards the house and I was exposed," said Kono last week.

This week he is starting libel proceedings against those newspapers which have not issued a public apology or correction, and he is taking legal advice on the infringements of his human rights by the over-zealous police investigators.

But as the cloud lifts, at least partially, from Kono's shoulders, the dark questions remain. Who unleashed sarin—a chemical weapon so toxic that it is courting suicide to handle it—on unsuspecting innocent civilians in a quiet residential area? Why in Matsumoto, a city famous for its mountain scenery, its castle, and for growing wasabi horseradish? Why target the Kono family, school-girls, students, pensioners and employees of the Meiji life insurance company?

The Matsumoto police publicly acknowledge nothing more than that sarin, which cannot be spontaneously produced by natural causes, was found at the site and therefore they are treating the incident as a crime. "We are investigating all kinds of possibilities and trying to connect them to the facts," said Hirofumi Takeda, deputy police chief of Matsumoto.

But this belies an intensive investigation involving a special sarin unit of Tokyo's metropolitan police department criminal investigation laboratory, the national police agency and the security services, which report directly to the cabinet. This investigation has concluded that the attack was a trial run by terrorists of the delivery system for what Shimizu calls "the poor man's atomic bomb."

"Based on the evidence, it is very clear that this was a deliberate use of a chemical weapon against an unprotected civilian population," said Kyle Olsen, executive vice-president of the Chemical and Biological Arms Control Institute, a Washington think-tank. Olson has recently visited Matsumoto to make a special study of the case.

For the first time, he said, sarin is "out there" in unknown and uncontrolled hands: "it has all the hallmarks of an act of terrorism." After further analysis of his findings, western intelligence agencies supported his judgment.

Crucial to this conclusion is a study of the local weather conditions in Matsumoto during the sarin release, which suggests careful timing. The weather in that part of the Japanese mountains is normally wet and humid in June, conditions under which sarin degrades swiftly.

But as the temperature rises, sarin's lethal duration increases exponentially, despite the humidity. A study at the Kyushu University has found that at 10C, with light rainfall, sarin persists for between 15 minutes and one hour; if the temperature is raised by only five degrees and the weather is sunny, it will last for up to four hours.

Unusually for the time of year, the local daytime temperature on June 26 and 27 last year soared above 30C, compared to a 30-year average of 20.4C with a high of 25.7C.

Further disturbing evidence arose on a rainy day a week after the Matsumoto attack. Residents of Kamikuishiki, a small village in the shadow of Mt. Fuji, south of Matsumoto, complained of feeling ill and of a nasty smell. They had similar symptoms to the Matsumoto victims, but none died and everybody recovered after treatment. Later analysis reportedly indicated the presence of a compound that could have been derived from sarin. Was this a test to see how quickly sarin degrades in wet conditions?

Kamikuishiki is also the scene of a four-year war between the villagers and 1,000 members of Aum, a millennial sect which predicts the end of the world in 1997. Aum followers live in ramshackle compounds and calm their brains with battery-powered electrical waves. The villagers have blamed them for both gas attacks. There is no more evidence against them, however, than there is against Kono.

Another target of suspicion has been North Korean agents. Matsumoto has a sizeable ethnic Korean community, many of whom made hard currency donations to the communist North.

Then there is the crime theory. "Recently I heard a rumour that the insurance company [which owned a block of flats next to the pond, where one of its employees died] was having trouble with somebody else and that caused the incident," said Kono last week. Even this is not as absurd as it seems. Japan has a long and dark history of murders and extortion rackets in which poisons have been used.

Perhaps the real answer is that Matsumoto was chosen for the rehearsal of a terrorist outrage precisely because it is such an improbable location. Analysts insist that the evidence for terrorist involvement is more compelling than for the welter of alternative theories and rumours that are swirling around Matsumoto.

The real targets are easily pinpointed. Tokyo constantly plays host to visiting heads of state and international summits. In 1998 the Winter Olympics are to be staged at Nagano, just 30 miles away.

What is particularly worrying is the close relationship the Japanese Red Army has formed in the past with some European terrorist organisations, particularly the Red Brigade in Italy. At a G-7 summit in Tokyo two years ago, the Japanese security forces discovered a howitzer that had been shipped in pieces into Japan with the help of the Red Brigade. The plan was to shell government leaders attending the summit.

The implication of the Matsumoto incident, analysts fear, is that the same alliance may be planning to use sarin in the terrorist war. "It is clear that we have entered a frightening new era where weapons of mass destruction will become the weapon of choice for terrorists against unprotected civilian targets," said Olson.

Sarin Linked to Other Cases

OW2103103895 Tokyo KYODO in English 1020 GMT 21 Mar 95

[FBIS Transcribed Text] Tokyo, March 21 KYODO—A byproduct of the highly toxic nerve gas sarin detected in residue left by the nerve gas that filled Tokyo subway trains and stations Monday [20 March] matches that found in a mysterious poisoning case last June, police said Tuesday.

They identified the byproduct as a chemical compound called methylphosphine acid diisopropyl, which was also detected in a sarin poisoning case involving seven deaths last June in Matsumoto, Nagano Prefecture, in central Japan.

The chemical compound is used as a reagent for limited purposes, and no Japanese companies make it. Imports of the chemical compound are also limited.

Sarin residue was also detected last July near a religious cult's facility in the village of Kamiku-Isshiki in Yamanashi Prefecture, in central Japan.

Police suspect there might be a link among the three cases and allege they might have been committed by a single group.

In the sarin poisoning on Tokyo's subway system, eight people were killed and almost 4,700 others injured.

Religious Group Denies Links to Nerve Gas Case

OW2103110795 Tokyo KYODO in English 1056 GMT 21 Mar 95

[FBIS Transcribed Text] Tokyo, March 21 KYODO—A religious group denied Tuesday [21 March] speculation that it might have been linked to Monday's nerve gas sarin poisoning on Tokyo's subway system that killed eight people.

"We are doing our religious activities on the basis of Buddhist doctrines such as no killing, so it's impossible to commit the incident," said Shoko Asahara, an attorney for Aum [Omu] Shinrikyo.

"In my personal view, Sarin could not be made by those other than special persons like those in the U.S. military. I speculate someone in the military and (state) authorities may have been involved," Asahara told a packed press conference.

In reference to a report by a weekly magazine that group members may commit mass suicide, Asahara denied any such talk.

"It's a terrible report. We have not said we are going to commit suicide nor have plans to do it," he said.

The religious group called the press conference amid allegations in the media that the group may be linked to the nerve gas attack on Tokyo's subway system during Monday's morning rush hour.

Such allegations have surfaced because sarin residue was detected last July near the group's facility in the village of Kamiku-Isshiki in Yamanashi Prefecture, central Japan.

The sect has denied it produced the highly toxic nerve gas, but villagers filed a legal suit against it, claiming its members threatened to kill them.

Three members of the religious group were arrested Sunday on suspicion of kidnapping a university student who reportedly wanted to leave the group.

Osaka prefectural police on Tuesday sent the three men to prosecutors.

Aum Shinrikyo was founded in 1986 by Shoko Asahara and its followers stand at some 10,000 nationwide.

MITI's Hashimoto on Cooperation With U.S.

952B0117A Tokyo JIYU MINSHU in Japanese Jan 95 pp 69-83

[Lecture by MITI Minister Ryutaro Hashimoto]

[FBIS Translated Text] *Japan-U.S. Framework Talks were concluded. Although there is a friction on the individual sector level, Japanese and U.S. industries today are inseparably interdependent—their finished products incorporate parts made in each country. Therefore, while resolutely opposing numerical targets and so on, we must make efforts in deepening our mutual understandings and build a comprehensive cooperative relationship between Japan and the United States, not limited to the economic area.*

The Asia-Pacific Region Continues to Grow Rapidly

Up until recently, I was attending meetings held by a special committee of WTO [World Trade Organization]. The theme given to me for today's speech is "Japan-U.S. Trade Relations." This is a theme I am still involved in as a negotiator myself.

First, I would like to talk about the relationship between Japan and APEC (Asia Pacific Economic Cooperation), which held a conference recently.

To attend APEC's sixth Cabinet-level conference, I went to Jakarta, Indonesia. The Asia-Pacific region has been continuing to grow at the highest rate in the world. Companies from the world over, including Japan and the United States, have come to the region, creating a multilayered structure for division of labor. It will be beneficial to both Japan and the United States if this region continues to develop steadily in the future and deepens interdependent relations through trade and investment. And, there is nothing other than APEC that can provide a main framework for cooperation in this Asia-Pacific region.

The idea of Asia-Pacific cooperation—APEC—itself originated at Japan's Ministry of International Trade and Industry [MITI]. It was proposed in cooperation with Australia, and has been nurtured and developed to the current level. Surprisingly enough, not many people know about this background, but it was Japan's MITI that came up with this idea of APEC.

Since then, APEC has been growing very well. Triggered particularly by its informal summit meeting held last year in Seattle, it began to attract international attention. And, the recent conference in Jakarta set a stage for APEC to plan for the future on its own and take concrete actions. In other words, it provided an opportunity for APEC to transform itself from a mere place for discussion to a driving force for cooperation and progress for tomorrow.

During the recent conference, a report was made on what had been accomplished in the past year, including APEC's rules on investment and various systems of cooperation, such as a declaration of a system of human resources development and a Cabinet-level meeting for small and medium-sized companies. I truly felt of the actual development of APEC's activities.

Trade, Investment, and Development are Closely Related

What I felt most during the conference was that trade and investment are closely related to development, and unless they are carried out in tandem, nothing good will materialize. And, within this context, APEC member countries, including Japan and the United States, must cooperate with each other.

Japan will chair APEC's meetings next year, taking a leadership role in making action plans relating to liberalization of trade and investment. Therefore, we will have to assume more responsibility in the future.

And, another notable event at this conference was that President Suharto from Indonesia, which has a mountain of problems as a developing nation, made a drastic proposal, namely a "declaration of liberalization of trade and investment." In the past, this kind of a major theme for an international conference was normally proposed by the United States or some other major country in Europe.

This time, however, the "declaration of trade liberalization and investment" was proposed in a decisive manner by Mr. Suharto from Indonesia, a bit of a surprise even to the United States. Japan regarded highly of the significance of this declaration by Indonesia, a developing country. So did other nations. And, following this initiative of Mr. Suharto, the "declaration of liberalization of trade and investment" was ratified. I truly felt then and there that a new bud sprouted. As Japan will assume the chairmanship following this major step, we are entrusted with the role of giving concrete shape to this "declaration of liberalization of trade and investment."

And, as Japan and the United States have prominent economic powers among APEC member nations, I believe a necessary condition for stable development of the Asia-Pacific region is that Japan and the United States take initiatives in cooperation. In view of future Japan-U.S. relations, therefore, I truly felt at the recent conference that this kind of cooperative relationship between Japan and the United States would be increasingly important in dealing with multilateral issues. I believe that representatives from the United States also felt the significance of such cooperation.

The United States Requests the Opening of Japanese Markets

Let me return to my today's topic, the Japan-U.S. bilateral relations. I think it gratifying that Japan-U.S. Framework Talks, for which I myself had to go back and forth between Washington and Tokyo three times each month, were finally concluded at the end of September. But, it took a long time, about fifteen months, to come to this conclusion.

It was on 10 July last year when then-Prime Minister Miyazawa and President Clinton agreed in their joint statement to hold Japan-U.S. Framework Talks. But, in February this year, Mr. Hosokawa caused a breakdown in these talks by speaking ostentatiously of a "relationship between adults." To recover from this breakdown, two sides had to bear hardships. Negotiations throughout, therefore, did not necessarily go smooth.

Also, during a cooling-off period of Japan-U.S. relations following the breakdown of negotiations in February, foreign exchange rates changed drastically, and quite major consequences ensued. This not only caused a delay in Japan's economic recovery, but also affected interest rates and prices of securities in the United States.

Then, why did these negotiations consume fifteen months? And, what were these Japan-U.S. Framework Talks about, requiring this much time and effort? Here, I would like to reflect on these points.

Regrettably enough, Japan and the United States had major differences in their respective positions on the recent negotiations. Among them, there are two important differences, I believe.

The first difference pertains to different perceptions over the relationship between current account balances and the question of closed markets. The basic understanding on the U.S. side was that Japan's huge current account surplus was essentially caused by the closed nature of the Japanese market, and therefore, the objective was to open this closed market. In other words, with the Japanese market closed, Japan's exports flow into the United States one-sidedly, and as a result, they are robbing employment opportunities from Americans. This was one way of looking at the situation.

Because of this perception, the U.S. side demanded Japan to open its market so as to reduce its current account surplus. On the other hand, the Japanese side argued that the imbalance in current accounts reflected the condition of each country's domestic economy, not the closed market, and therefore such macroeconomic measures as tax-cuts and an increase in public investments would be effective in restoring the equilibrium in current account balances.

In economics, the following is generally recognized as a realistic explanation: As a current account imbalance reflects the condition of the domestic economy, rather than the openness of the market, a causal relationship can be traced from the domestic economy to the trade and current account balances. Therefore, when savings exceed investments in a country like Japan, this difference shows up as a current account surplus. On the other hand, when there are lots of investments and less savings in a country like the United States, this difference shows up as a deficit. The recent imbalances in current accounts in particular can, therefore, be considered as reflecting the delay in Japan's economic recovery and the economic boom in the United States.

Therefore, effective ways to restore the equilibrium in current account balances are for Japan to achieve economic recovery and expand its domestic demands, and for the United States to reduce its budget deficits and investment activities. Here, however, we definitely do not mean to deny our need for improving market access. We are certainly aware that it is important to continue opening our market aggressively so as to improve market access in each individual sector.

The United States Takes a "Results-Oriented Approach"

The second difference pertains to different ways of perceiving market opening measures and their effects. Regarding improvement of market access in Japan, the U.S. side had a basic belief, that is, as results are more important than the ways to achieve them, Japan should be urged to make promises on results. This is the so-called "results-oriented approach." According to this view, as Japan is different from other advanced countries, seeking only market opening measures from Japan is not effective. Therefore, the U.S. side thought it important to have Japan make promises on results, rather than to leave market opening measures to Japan's discretion.

In fact, using this "results-oriented approach," the United States demanded [Japan] to agree on numerical targets for each sector under negotiation. In concrete terms, there emerged differences in interpretation of the joint statement issued in July last year, showing clearly the points of difference between Japan and the United States. The following is an excerpt from this joint statement:

Based on this framework, the two governments will evaluate the state of progress in implementation of measures and policies concerning each sector and structural area within each basket. This evaluation will be performed based on a series of objective standards collected from related information and data to be evaluated by the two governments.

The statement sounds rather stiff, but regarding the expression, "objective standards," the U.S. side took it as something similar to numerical targets. It interpreted the meaning of standards as something necessary for after-the-fact evaluation. For example, targets as to market share, sales volume, and so on are agreed upon before hand by Japan and the United States, and the level of achievement of these targets will be monitored each year according to these objective standards.

On the other hand, the Japanese side understood the meaning of objective standards as indicators to monitor the historical trend of such data as market share and sales volume so that the state of progress from the measures used for each sector can be assessed. Therefore, the point is, there is no difference in opinion between the Japanese and the U.S. side in using such data as market share and sales volume per se as objective standards.

But, as a market share in a market economy is determined as a result of free-wheeling activities of corporations, if you try numerically to set a market share for the future, or to fix the amount of export, or to predetermine on the growth rate, it is tantamount to managed trade. Market intervention is outside the range of government authority. The point of our contention was that Japan would not accept numerical targets.

Our Nation Explicitly Rejected "Numerical Targets"

It took fifteen months just to reconcile our conceptual differences centering around numerical targets. In the meantime, world-renown economists as well as major countries in Europe and Canada stated their objection against numerical targets, and supported Japan's stance. Faced with such opposition, the United States eventually dropped its unreasonable request in many area contained in the agreement.

Following the conclusion of the final negotiation that lasted from the end of September through the morning of 1 October, to be exact, some reporters in the Japanese media pointed out that "this is another case of an iridescent resolution." But, such labeling is far from the truth. Rather, we were able to come home with an agreement where we explicitly rejected numerical targets and insisted on the principle of limiting the range of governmental authority.

And, whether this agreement is iridescent or not is clear from subsequent reactions from other countries. In fact, even Canada, which is a neighbor of the United States and a member of the common economic bloc called NAFTA (North American Free Trade Agreement), as well as EU (European Union) member countries and Asian nations attending the APEC's conference—all these countries said, "Japan rightfully upheld its belief. Thanks to your effort, we don't have to negotiate on that kind of an unreasonable request."

In pursuant to the agreement reached at the end of September, Japan agreed to take appropriate measures to improve market access in each area. Also, we agreed to evaluate the state of progress, using objective standards. If market access in some area is not improved, and a subsequent investigation reveals that this is due to stringent regulation in Japan, or that some peculiar trade practice is hindering the sales growth of foreign-made products, we will certainly correct the situation. But, if the problem lies in a lack of marketing efforts on the part of U.S. companies, there certainly is no need for us to take responsibility.

Specifically speaking, the recent negotiations were focused on five areas, and basic agreements were reached in four areas—government procurement, insurance, flat glass, and the strengthening of U.S. export promotion and competition. But, in the area of automobiles and auto parts, up until the last minute, I was unable to come to an agreement with U.S. Trade Representative Kantor and Commerce Secretary Brown. The debate over this issue was carried over to Jakarta, but it is still unresolved.

The U.S. side was interested in revising Japanese automobile makers' own plans to increase the volumes of their procurement of foreign-made parts, or in making the Japanese government or the industry guaranty on how the number of dealers in foreign-made cars would increase. These were not kinds of requests to be accepted easily. A heated discussion ensued, with such arguments as that these were beyond the scope of the framework talks, and that they were outside government authority. Strictly speaking, an independent procurement plan for parts based on each automobile maker's business plan is an issue for individual business judgment. It should not be decided by the government, like saying that the volume is too large or too small, or that it should be increased or purchased for a much longer period of time. Or, not to mention, it is not a king of thing that should be decided in consultation with the U.S. side. I did not yield on this to the end.

Finally, in pursuant to the Super-301 provision, the United States specified a unilateral sanction on unfair trade practices relating to automobile repair parts. This U.S. decision is quite regrettable to me.

Requests that Disregard Safety Consideration Are Not Acceptable

Those who have a driver's license must be feeling inconvenienced each time they have to have their cars inspected. As maintenance expenses are not so small, I am sure many people wish they didn't have to go through such vehicle inspection. But, when we study statistics on traffic accidents, we notice the following facts:

According to a survey by the National Police Agency, traffic accidents due to a lack of maintenance amounted to only 0.035 percent in Japan. On the other hand, in the United States, although there is no unified measurement rule because of different systems adopted by different states, a survey by the U.S. Board of Audit found that traffic accidents due to a lack of maintenance were in the range of 0.5 percent to 1.5 percent in those states that had some kinds of regulation, and in the range of 0.5 percent to 3.5 percent in the states that had no regulation. Therefore, traffic accidents caused by a lack of maintenance amounted to 0.5 percent at the least in the United States, and only 0.035 percent in Japan. When I was doing research to prepare myself for debate, I myself was surprised to learn how much the maintenance of cars under the vehicle inspection system has been contributing to each other's safety. Incidentally, it has been reported that the rate of traffic accidents due to a lack of maintenance in Germany was somewhere between 3.0 percent and 3.5 percent.

These facts became the focus of heated discussion between the U.S. side and ours. The U.S. side made a request that could lead to abolition of our vehicle inspection system. But, we argued that we were willing to deregulate as much as possible, except for such necessary regulations pertaining to safety and environment, and that we could not abolish our vehicle inspection system in light of the factual reality. This issue was never resolved, and the United States decided at last to have automobile repair parts subject to the Super-301 trade-law provision. I am still fighting against the U.S. side on this issue, saying that we cannot participate in a negotiation with a threat of sanctions like pointing a gun at my head, and that unless the U.S. side withdraws such a threat, or negotiates outside the scope of the trade law, we will not take part in negotiation.

Yet, we reached agreements on four areas this time. I am pleased that we were able to restore the Japan-U.S. relations to this level, which had been destroyed by the Hosokawa Cabinet. This was made possible by two reasons, I believe.

One is that Japan made a policy decision to implement an income tax cut in the amount of Y5.5 trillion, effective this fiscal year, and to continue on with the tax cut of the same size so as to achieve a meaningful reduction of our current account surplus. Another is that Japan reviewed its long-term plan relating to expansion of public investments, and submitted a plan for public investments in the amount of Y630 trillion in October. As a background basis for negotiation, the U.S. side valued highly of Japan's announcement of these macroeconomic policies and taking bold initiatives in implementing deregulation.

With the basic compromise agreement at the recent talks as a momentum and from higher and wider perspectives, we would like to further strengthen our cooperative relationship with the United States by maintaining and expanding our cooperative efforts in political, security, and economic areas, both bilaterally and through APEC and quadripartite conferences of trade representatives.

Difficult Negotiation on Automobiles and Auto Parts

If I were to talk about each individual area, I would never have enough time. But, if I summarize future problems, and aside from the way of thinking on the Japanese side, I would say that the area of automibles and auto parts is the one that the U.S. side cannot yield easily. Despite my repeated objections, the U.S. side will not readily change its demands, such as requesting stepped-up revision of Japanese automobile makers' independent plans to purchase foreign-made auto parts. As the Japanese side cannot yield to such requests, conflicts will be inevitable. Although the U.S. side stopped asking the Japanese government to guaranty Japanese automobile makers' independent plans to purchase foreign-made auto parts, it asked instead for administrative guidance.

But, as deregulation continues, the government authority will diminish further. Our government is not capable of guiding the automobile makers, and if it dares to do so, that will lead to the strengthening of regulations. This will go against the current of the times. Therefore, we cannot yield to such requests. If companies want to change their plans voluntarily, that will be all right. But, if the government forces them to change their plans, that will be an intervention in the market place. We cannot accept managed trade.

It is very strange that the United States requests revision of figures in the companies' independent plans, even after having acknowledged that these plans are outside the range of the government authority and beyond the scope of the framework talks, and that they are independent plans of private companies. It is the same in the case of the U.S. request for expanding dealers in foreign-made cars.

Business Efforts of U.S. Companies Are Also Important

In the case of expansion of dealers in foreign-made cars, the United States also requests our government or the dealers association to make a plan for such expansion, and our government to guaranty the implementation of such a plan. But, the decision as to which cars each dealer carries is the dealer's own business judgment, and the government should not make rules on such decisions. What we can do might be to survey the dealers' wishes, and if there are any dealers that want to deal in foreign-made cars, we may help them find the ways to be contacted by foreign automobile makers, or create a joint panel for representatives from the industry to discuss the issue. Therefore, we suggested such programs, but the U.S. side didn't show any interest in them.

When I went to Jakarta to attend the Cabinet-level meeting of APEC in November, I spoke with U.S. Trade Representative Kantor for two hours and with Commerce Secretary Brown for one hour on this issue, although we had many other topics that needed to be discussed. Again, the U.S side didn't change its stance, nor did I. We were not able to reach any point of agreement, and our discussion ended when the U.S. side said, "When you find a new way of solving the issue, please get in touch with us. We are always ready to listen." Therefore, the conflict between Japan and the United States became quite clear on the issue of automobile parts, auto parts, and repair parts.

By the way, the chance of our seeing foreign-made cars in town seems to have increased recently. This is clearly evident when we look at statistics. In the Japanese market, ninety-eight percent of cars have their steering wheels on the right side, and more than eighty percent of consumers want their car to be of a size less than 2,000 cc and priced less than Y3 million. Recently, the so-called Big Three automobile makers in the United States have finally begun to introduce cars with steering wheels on the right side and within the price range suited for the Japanese market. In addition, they have more or less a policy of lower pricing. In other words, as a result of all-out business efforts on the part of the U.S. automobile makers, import of U.S.-made cars [into Japan] has increased by almost eighty percent in a year. This is a good example of the fact that even though the two governments are in conflict, as long as the U.S. automobile makers make some efforts, they can increase the sale of their products greatly in the Japanese market.

A Worsening Perception Gap between Japan and the United States

When we look back on the Japanese industries in the postwar period, we realize that a trade friction between Japan and the United States became an issue at each critical point. The year 1960, when I became a full-fledged member of society, was the year when Japan and the United States began to have a trade friction over cotton products. In a sense, I am a child born out of economic frictions between Japan and the United States. The textile issue was followed by such contentious problems as steel, color TVs, and automobiles. Each of these cases was a result of torrential Japanese export like a localized downpour. In essence, a rapid increase in export from Japan caused an intense friction with domestic industries in the United States, amd as a result it became a political issue. In each case, Japan tried to solve the problem by initiating a voluntary export control or by switching to local production. In short, the cause for friction was a rapid increase in export from Japan.

But, beginning with the case of friction over semiconductors that began to intensify sometime around 1985, the way to deal with such friction changed—the United States began to request for a change in import access so that U.S. companies could enter the Japanese market easily. And, as the Japanese economy has grown this big, Japan's domestic regulations, business practices, and government policies have also begun to be considered as problematic. Therefore, trade frictions began to affect how the Japanese economy and society can function.

Since the Japan-U.S Structural Impediments Initiative that began in 1989, when I was a finance minister, the two countries' economic structures began to be discussed so as to solve the trade imbalance between Japan and the United States. The recent Japan-U.S. Framework Talks went one step further: We discussed not only sector-specific issues and structural problems, but also a comprehensive framework for negotiation so that we would be able to coordinate our macroeconomic policies. Accordingly, at the time of issuance of the joint statement in July last year, more than thirty working groups were created.

Up until the Japan-U.S. Structural Impediments Initiative, the focus of negotiation was on measures to improve the Japanese system, and these measures were implemented as solution to the problems. During the recent Japan-U.S. Framework Talks, however, the U.S. demand changed: Instead of dealing with measures to improve the Japanese system, the U.S. side sought results in terms of increased sale of foreign-made products. This policy request from the United States—seeking a bilateral agreement on sales volume and market share, which are supposed to be the results of free competition—has never been seen before, and is totally unique.

In reaching an agreement on the issue over semiconductors, the Japanese side casually mentioned that "we are also aware that the U.S. semiconductor industry is hoping to capture more than twenty percent share in the Japanese market." Before we knew it, this figure, twenty percent, began to take its own life; it became to be interpreted as our promise for such market share. We paid a very expensive tuition for this. Before we knew it, the figure, twenty percent, that was mentioned during the course of our conversation to mean that "if we could achieve such a result, that would be certainly nice," became an independent objective. Therefore, we can never easily yield to such a request [for numerical targets].

Such being the case, we seem to be running into various problems nowadays. But, does such a perception gap exist only between the governments? I think that a perception gap between Japan and the United States also exists more or less between the citizens of the two countries. And, I think it quite regrettable that the feeling of distrust between the tow peoples is gradually on the rise.

The U.S. side feels frustrated because Japan doesn't seem to change at all. The Japanese side feels increasingly unhappy about persistent pressures from the

United States despite the fact that it has been making considerable efforts and changing steadily.

I think the feeling of distrust developed between Japan and the United States, because although changes were taking place all over the world following the end of the Cold War, and Japan and the United States were both in the throes of these major changes, they both failed to understand this reality well. Japan has been carrying out deregulation and trying to create a new Japan by improving the transparency of its market place. But, on the other hand, the United States expected too much from the Japanese government's ability to intervene and exercise its influence in the market. For us, it was not quite clear how serious the United States was in carrying out its own economic reform to strengthen its competitiveness.

An Inseparable Interdependent Relationship between Japanese and U.S. Industries

But, when I look at Japan-U.S. relations, the interdependent relationship between the two countries has been deepening more and more. For Japan, the United States is the number-one trade partner, having a share of about twenty-five percent in the total volume of export and import. On the other hand, for the United States, Japan is the second largest trade partner with a share of about ten percent in the total export and import, next to Canada. Main items of export from Japan to the United States are such capital goods as electronic parts. And, for example, most advanced, notebook-type personal computers were first developed by combining Japanese-made liquid crystal flat panels and U.S.-made microprocessors. In this way, the two countries are closely connected. Japanese and U.S. industries are interconnected for their final products, and their relationship is inseparable. But, the deeper this interdependent relationship becomes, the more complaints and frictions we have. The relationship between the United States and Canada is much closer than between Japan and the United States, but the number of disputes is also much larger.

Therefore, although an interdependent relationship can sometimes cause difficult problems in each other's country, we must deal with these problems, thinking that international trade is essentially beneficial to the domestic economy of each country. We cannot adopt a measure to contract trade to reduce causes of friction between Japan and the United States. Therefore, it is important to devise a way to resolve a friction as it occurs.

At present, we are continuing to make considerable efforts on reform, and in so doing, for example, we are hoping to create an organizational structure to deal with disputes between Japan and the United States. For example, a free trade agreement exists between Canada and the United States, and there exists a panel of experts to resolve disputes. As we do not have such a pact on free trade, it is not that easy to create a strong organization for resolving disputes. Therefore, we are now thinking that we may have to create a mechanism to handle disputes gently, where we can propose opinions in a neutral manner without being constrained by norms.

In the area of automobiles and auto parts for the Japan-U.S. Framework Talks, we adopted a joint-commission approach to summarize the points of dispute. But, having a mechanism to resolve disputes is not enough to eliminate the feeling of distrust between Japan and the United States. We must continue to find solutions, including elimination of such causes of deep-seated distrust between Japan and the United States as the imbalance in current accounts, and improvement of market access, not because we are told to do so by the United States, but as a target for our own efforts.

Recently we recorded a current account surplus of about $60 billion with the United States. The most effective way to reduce this surplus is to expand domestic demands in Japan. Therefore, as stated earlier, we decided on a plan to cut taxes for the next three years. At the same time, regarding our basic plan for public investments, we also reexamined both quantity and quality of our public investments in view of the aging society in the 21st century and to enhance the quality of life as much as possible while we are able to, and decided to undertake large-scale, bold investments in the amount of Y630 trillion, starting next year. These decisions have been considered highly in the United States, and we received words of gratitude from Treasury Secretary Bentzen and others.

While solving problems one by one like this, the Murayama administration is also carrying out deregulation aggressively. We would like to continue making these and other efforts to create a new industrial basis for Japan, as well.

Share Responsibility and A Level-Headed Understanding of Facts

In promoting cooperation between Japan and the United States in the future, we are hoping to eliminate the feeling of distrust between the two countries by considering the following three points:

The first point is that Japan and the United States must share the understanding that our two countries have siginificant responsibility in common to manage the world economy. Although Japan and the United States combined have less than one percent of the world population, they account for about forty percent of the world's GDP [Gross Domestic Products].

The second point is that instead of confusing each other with inaccurate understanding of facts, our two countries must share the understanding of facts after careful examination. As there is a deep-seated criticism in the United States that Japan is extremely closed and does not import enough of U.S.-made products, I would like to quote two relevant statistics.

First, excluding such regional trade transactions as those within free-trade pacts and customs unions, the ratio of total value of imports over GDP is 6.4 percent for Japan, and 6.9 percent for the United States—about the same level. Although it has been pointed out that Japan's share of import of finished products is small, there is no significant difference [between Japan and the United States] when adjusted for difference in resource endowments.

Second, although mentioned earlier that Japan is the second largest market for U.S. export, following Canada, when imports per capita including trade in services are compared, Japan's import is one and a half time larger than that of the United States. This figure is not well known, but according to the per capita basis, we import one and a half times more from the United States than the United States does from Japan.

We Must Have a Renewed Understanding of Market Principles

The third point is that Japan and the United States must understand anew that the two countries share the same basic system based on market principles. To be sure, Japan may have more regulatory rules at this point than the United States, but in light of the fact that these market principles have led the socialist economic system into a demise and changed the world map in a significant way, Japan has been changing rapidly as ever to uphold the market principles, and the role of government has also been reexamined. In Japan, too, our citizens do not support excessive intervention by the government, and we are in fact carrying out deregulation.

The last work that we completed while we were an opposition party was enactment of the Product Liability Law (PL Law). With the passage of this law, most products—such as most of house appliances, for example—that have been individually approved by the government will be subject to self-approval in the private sector, beginning on 1 July next year. As the government steps back, what's important here is to hold manufacturers responsible for their products. As seen from this example, we are changing steadily.

Then, what must we do from now on to maintain the cooperative relationship between Japan and the United States? First, we must continue our discussion on the area that was left unresolved in the Japan-U.S. Framework Talks. I would like you to know that since October our working groups on such issues as deregulation and finance have already been conducting full-scale meetings, and that through the process of serious discussion between the two countries, economic conditions are improving drastically. Good examples of these efforts are, as I stated earlier, that import of U.S.-made cars into the Japanese market has increased about eighty percent in the past year, and that the procurement procedure of the Japanese government has changed drastically.

If we can actively promote harmonization of our economic systems, or deregulation and industrial cooperation, through these meetings, that will be beneficial to both Japan and the United States. Through the Japan-U.S. Framework Talks, we must continue to make efforts in improving market access. But, as I stated earlier, there are some points that we cannot yield.

The "U.S-style Approach" Is Not Acceptable in Asia

Another point is that we must actively promote cooperation in the Asia-Pacific region. APEC, which I mentioned earlier, will provide a good stage for such cooperation. But, what I felt most strongly when I chaired a meeting of ministers in charge of small and medium-sized companies, which was held in Osaka as part of economic cooperation efforts within APEC, was that the U.S.-style approach would not necessarily be accepted readily by Asian countries.

The meeting focused on the area of information communications, and the U.S. side pushed forward its own on-going "GII [expansion not given] Plan," insisting categorically that we had to continue advancing technologies for information communications and expand communications networks by using optical fibers. Then, Thailand and Indonesia responded dodgingly by saying, "What will happen to those countries that have not achieved the level of sophistication in information transmission to that extent? As a dream for the future, your idea is fine." I used to think that this kind of [U.S.] approach was not quite acceptable, and I confirmed this thought of mine at the APEC's general meeting.

For example, the recent "declaration of liberalization of trade and investment" is based on a premise that this process [of liberalization] will be completed by the year 2020 in developing countries and by the year 2010 in advanced countries. The United States vehemently opposed this premise, and approached us and asked us very seriously up until the day before the summit meeting to cooperate in revising the declaration. According to the American-style thinking, it is not acceptable to let developing countries make easy profits for ten years, as advanced countries must complete the process of liberalization by the year 2010 and developing countries by the year 2020.

After I first heard about this argument from the U.S. side, I said, "The countries in the Asia-Pacific region are all different in terms of history, culture, and economic condition, and further more in terms of religion, as well. The speed [of development] is different among these countries. I don't feel particularly uncomfortable to have a gap of about ten years between advanced and developing countries." Then, the U.S. side said, "No, that's not right." Again, this led to repeated arguments back and forth. I had no other choice but to ask Canada's opinion. A representative from Canada said, "What the U.S. side is saying is unreasonable. If the United States does not change its view, it will be isolated." I also asked some other countries on this, and found that none of them supported the U.S. view. So, I repeated again at an informal meeting in the evening before the summit meeting: "Unless you want to make Mr. Clinton isolated, you must withdraw your statement. We will not support it." Then, the U.S. side withdrew its statement in the morning of the summit meeting.

What I felt at that time is that the United States does not truly understand the diversity of the Asia-Pacific region. This is where Japan has been helping the United States understand. And, the countries in the Asia-Pacific region should not necessarilly consider it undesirable if Japan directs the United States to be reasonable and to understand the diversity in the region in making proposals.

In the Asia-Pacific region, Japan and the United States have many opportunities to cooperate with each other. For example, we can use our experiences as advanced nations in solving problems, such as how to build infrastructure and how to achieve a balance among the needs for energy, environment, and growth. Therefore, we also think it necessary for Japan and the United States to cooperate in supporting APEC.

Another important point is to adopt multilateral trade rules. Even today (29 October), we are in the midst of deliberation to get approval from the Diet on an agreement reached at the Uruguay Round [of Trade Talks] to inaugurate a World Trade Organization (WTO) on 1 January next year. At present, each member country must be working similarly on this.

And, under this WTO system, it is important for the member countries to create a multilateral free trade system that is more advanced than before. The GATT in the past dealt only with tangible products, but rules under WTO are expanded to include such areas as intellectual property rights and services.

There are some industries in Japan that may suffer some damages as a result of competition. For these industries, however, we will adopt our own defensive measures, such as postponing the effective dates, reducing the amount of cuts in duty rates, or creating rules on governmental safeguards as in the case of textiles. All in all, however, I believe that the agreement reached in the Uruguay Round will play a major role in the world. But, at the same time, new problems are emerging.

Movement in Advanced Countries Toward Protectionism

Such problems are as trade versus environment, trade versus investment, and trade versus employment. By making harsh remarks in defense of environment and thereby pretending somewhat like defenders of justice, some people are moving toward protectionism to stop production in developing countries. There is also some other movement in the name of humanitarianism that may lead to protectionism, that is, to impose penalty on products that are made at low costs by using child laborers or employing female workers under dire labor conditions because development of laws on labor standards and other has not caught up yet.

We will certainly strive to create better conditions for environment and employment, but at the same time we must prevent the industries in developing countries from being destroyed by the egoism of advanced countries. As these new problems emerge, we will have to deal with them as soon as the Uruguay Round is completed.

Strengthen the Overall Cooperative Relationship Between Japan and the United States

In view of all this, I think you will understand that there are many other areas of cooperation for Japan and the United States than the areas of economic friction we are now engaged in. The plan for international information infrastructure now being proposed by the United States is a very important one for employment creation and economic development in the future for the entire world. Japan, as well, should not regard it simply as another country's idea. For Japan in approaching the 21st century, and when people are talking about the "hollowing of industries," the area of information communications is the one that can create most employment.

At present, only optical fibers are being talked about like a treasure-trove. But, besides optical fibers, the private sector should be left to choose a means of communications, whether it is based on coaxial cables, satellites, or radio waves. What's important is that the government provide the basis for the private sector to be able to do so.

In February next year in Brussels, seven advanced countries will have a Cabinet-level meeting on information communications and infrastructure. In this area, we must maintain a closer contact with the United States than before. And, in the case of security issues, Japan must cherish more than ever its cooperative relationship with the United States.

Take the case of a nuclear problem in North Korea, for example. In view of establishing security in Asia and preventing nuclear proliferation in the world, we consider this as a very important issue. At present, however, we don't have a channel of communications with North Korea to discuss the nuclear issue. The United States, thus, assumed the role in such dialogues, and a solution was found through negotiations between the United States and North Korea.

While maintaining close contacts with the United States and South Korea during each process of negotiation and action between the United States and North Korea, we have steadfastly supported the U.S. policy. From now on as well, we would like to maintain our basic policy of close consultation and cooperation.

Up until now, my speech has focused mainly on trade issues. But, issues that Japan and the United States must deal with in cooperation include such international problems as environment, AIDS, and population. I would like you to know that as part of the Japan-U.S. Framework Talks, we are having discussion on such issues, as well.

The cooperative relationship between Japan and the United States should not be destroyed by friction over business issues at the level of each individual sector. In closing, I would like to stress my thought on the need to strengthen the cooperative relationship between Japan and the United States, which can encompass the whole range of issues in view of the future world, while maintaining some mechanism to resolve friction over some individual sector.

Tripartite Council Meets on U.S. Bases Issue

OW2103042595 Naha OKINAWA TIMES in Japanese 18 Mar 95 Morning Edition p 2

[FBIS Translated Text] The 16th tripartite liaison council meeting, during which top-level local officials—the prefectural governor, the U.S. Forces Okinawa Area coordinator, and the director of the Naha Defense Facilities Administration Bureau [DFAB]—discussed Okinawa base-related issues, was held on 17 March at a hotel in Naha. The prefectural government demanded that the issue of aircraft noise pollution be settled and more thorough measures be taken to prevent aircraft accidents. In response, the U.S. military indicated that all possible steps have been taken by local military authorities, saying: "Flights over residential areas have already been restricted and night flights are not approved." Although the prefectural government demanded that the U.S. military take additional steps to reduce aircraft noise, nothing substantially new was indicated.

Regarding the issues of noise pollution and flight restrictions, the Japan-U.S. Joint Committee has been set as the venue for formal discussions. As a result, it is very difficult to work out drastic arrangements for settling such issues during local-level discussions. In a news conference after the liaison council meeting, Tatsuo Matayoshi, director of the Governor's Executive Office, said: "As a future task, we would like to examine whether it may be possible to have such issues taken up at joint committee meetings and agreements concluded at local-level discussions."

The liaison council meeting was held for the first time in two years and four months. Among the participants were Okinawa Governor Masahide Ota; Carlton Fulford, U.S. Forces Okinawa area coordinator; and Tetsuo Hayashi, Naha DFAB director.

Regarding the issues of aircraft noise pollution and aircraft accidents, the U. S. military replied as follows: 1) Low-altitude flights over residential areas have already been restricted and any kind of normal training by all military forces between 2200 and 0600 is not approved on Kadena Air Base; 2) Engine tuning is done between 1800 and 0600 inside soundproof facilities and exceptions to the rule due to operational reasons are very rare; and 3) Efforts will be made to provide the prefectural government with investigative information regarding causes of aircraft accidents.

In his address, Ota said: "There is great significance in the fact that the liaison council meeting is being held in the year that marks the 50th anniversary of the end of World War II. The Okinawan people expect to see military base-related issues solved in a visible manner." Regarding the so-called three pending military base issues, Ota once again requested the cooperation of the U.S. military and the DFAB.

Regarding these issues, Hayashi said: "There will be no progress without the prefectural government's cooperation." The DFAB director thus indicated he expects the prefectural government to take positive action.

Comments by Kadena Mayor Tokujitsu Miyagi

The mayor expressed his dissatisfaction, saying: "There is a wide gap between the U.S. military's explanation and the actual situation regarding aircraft noise pollution. Whether the military leadership really understands the problem is questionable."

Cut in U.S. Forces Unlikely in Near Future

OW2103034495 Naha RYUKYU SHIMPO in Japanese 20 Mar 95 Morning Edition p 1

[FBIS Translated Text] RYUKYU SHIMPO recently sent a letter of inquiry to the headquarters for U.S. Forces in Japan [USFJ] on the question of a reorganization of military strength, including the military bases on Okinawa. In its reply, the headquarters stressed the importance of USFJ's role in ensuring stability in the Asian region; at the same time, it showed a negative stance on an immediate reduction in military strength. Its stand corresponds to the "New Strategy for East Asia," which was recently released by the U.S. Department of Defense. Regarding the selection of places suitable for relocating U.S. Forces' facilities to solve the three pending military base-related issues, such as the return of Naha Naval Port, the headquarters refrained from commenting, saying: "Discussions are underway between the Japanese and the U.S. Governments." Referring to the return of Futenma air base, which the prefectural government has been demanding together with settlement of the three pending issues, the headquarters clearly denied the possibility, saying: "There is no plan to return Futenma air base."

The letter of inquiry was sent in mid-February. USFJ sent its reply right after the "New Strategy for East Asia" was issued on 28 February.

Concerning the immediate rearrangement of USFJ's military strength, including the military bases on Okinawa, the headquarters answered: "It will be dealt with in the report (on the Japan-U.S. security pact), which is to be submitted to Congress on 1 March under the law on reviewing defense spending." In line with the report on the Japan-U.S. security pact, which stresses the need to maintain a 100,000-man military force in East Asia, the USFJ headquarters seems to indirectly indicate that a reduction in military strength is unlikely. In connection with this issue, RYUKYU SHIMPO also asked whether the U.S. Forces have made any changes in their preparedness for the situation on the Korean peninsula since the United States and North Korea have reached an agreement on the nuclear inspections. The headquarters answered: "(The U.S.-DPRK agreement) has nothing to do with the reorganization of or changes in our military strength."

When asked about the U.S. Forces' role in Asia, the headquarters emphatically said: "The present stability in the Asian region is largely attributed to the deployment of USFJ based on the Japan-U.S. security treaty." In addition, it said the presence of U.S. Forces "largely contribute to the defense of the entire East Asian region, as well as that of Japan."

Regarding the return of Futenma air base, which the prefectural government has strongly demanded, it answered: "There is no plan to return Futenma air base." As for the prospects of USFJ reducing the military bases on Okinawa, including inactive facilities, by "half," the headquarters replied: "We will continue to review our strength. Consolidation and return of the facilities will be carried out in appropriate time."

With regard to the plan to relocate the U.S. military facilities to settle the three pending issues, the headquarters only said: "We are not in a position to comment on the issue, which is still under discussion."

No Progress in Tokyo-Moscow Fishing Talks

OW2103045995 Tokyo SANKEI SHIMBUN in Japanese 17 Mar 95 Morning Edition p 2

[Editorial: "Russia's Diplomacy Lacks Flexibility"]

[FBIS Translated Text] Japan and Russia failed to make progress in negotiations aimed at ensuring the safety of Japanese fishing boats operating in and around the four northern islands, which started in Moscow on 13 March. Although the two nations agreed to have more talks, they even failed to decide on the schedule for the next talks.

Since the substance of the issue lies in the dominion of the northern territorial islands, it was foreseen that the talks would be rough going. In this sense, it cannot be said that the rupture in recent negotiations is unexpected. It is important for our nation to persistently negotiate with Russia while firmly maintaining its basic position that the four northern territorial islands are Japan's native territories.

The plan on holding negotiations was shaped when Russian Foreign Minister Kozyrev visited Japan in early March. Before that, when Russian First Deputy Prime Minister (Soskovets) visited Japan last autumn, it was agreed to open negotiations, but the negotiations were postponed due to the domestic situation in Russia.

Underlying the postponement of negotiations was the fact that, at that time, the Yeltsin government was facing domestic and foreign criticism of its invasion of Chechnya, confronting the European nations and the United States over the issue of expanding NATO, and tied up with compilation of a retrenched budget aimed at winning loans from the IMF and measures to maintain worsening public peace and order. This situation remains unchanged, however.

The pillar of our nation's basic position is: 1) The Japanese Government will not allow Japanese fishermen to pay the fishing fee, which would be interpreted as recognition of Russian sovereignty over the northern territories; 2) Instead, the government will provide Russia with funds on the pretext of protecting resources; and 3) Procedures for issuing fishing permits and patrolling the waters will be handled by Japanese nongovernmental organizations.

On the other hand, the Russian Government asserts that it sees the northern islands as "its territories" and that "allowing foreign fishermen to operate in those waters is an unprecedented concession" (according to Foreign Minister Kozyrev). Meanwhile, it is reported that the Russian border guard troop has proposed beefing up its strength with the aim of enforcing regulations.

Although, there is a wide gap between the stances of the two nations on this issue, there is a positive aspect. Probably due to Russia's attention to Japan's strong criticism of its shooting of Japanese fishing boats, no shooting cases have occurred recently. In addition, it was recently decided that two Japanese fishermen who have been detained since last summer will be released soon.

There will be parliamentary elections in Russia this December, and the presidential election is slated for June 1996. Many politicians have already rushed into election campaigns. In this situation, it may be difficult to expect fruitful diplomacy from Russia at present. We believe that Japan should continue to call on Russia to settle the issue, keeping in mind the principle of "law and justice" described in the "Tokyo Declaration" signed when President Yeltsin visited Japan.

AEC To Set Nuclear Power Export Guidelines

OW2103040795 Tokyo NIHON KEIZAI SHIMBUN in Japanese 19 Mar 95 Morning Edition p 1

[FBIS Translated Text] The Atomic Energy Commission [AEC] (with Machiko Tanakaka, director-general of the Science and Technology Agency, as chairperson) will start mapping out a basic strategy for promoting nuclear cooperation with Asian countries. With economic growth, there is a growing tendency toward introducing nuclear power plants in Asia. Therefore, the strategy will aim at working out a framework for exports of nuclear machinery to Asian countries. While trying to prevent nuclear dispersal, Japan plans to make its contributions to Asia by supplying its nuclear machinery, which has an established reputation for safety. The AEC will set up a panel of specialists as early as this month to study the plan. Since neither clear-cut conditions nor a framework have been set for exports, Japanese makers such as Mitsubishi Heavy Industries, Ltd.[MHI], Hitachi Ltd., and Toshiba Corporation have taken a cautious approach toward exports. The strategy will open the way for these makers to make advances into the Asian market.

The new panel to be set up by the AEC will be a Special Committee on International Cooperation (tentative name) made up of specialists from the academic and industrial circles as well as experts in diplomacy. The committee will clearly define the framework as well as conditions for recipient countries for nuclear machinery exports or technology transfers to such countries as Indonesia, China, and Taiwan. A report will be worked out and submitted to the AEC within one or two years.

The most important issue to be discussed by the AEC is the prevention of nuclear dispersal. A large majority of Asian countries, excluding India and Pakistan, have signed the Nonproliferation Treaty (NPT), and had nuclear inspections by the International Atomic Energy Agency (IAEA). However, the existing framework is not sufficient to prevent nuclear dispersal. For instance, the DPRK (North Korea) has hinted at withdrawal from the NPT. Therefore, in mapping out a basic strategy, efforts will be made to work out measures to strengthen the prevention of nuclear dispersal.

In Asia, there has been a rapid increase in the number of nuclear power plant projects. There are already ten nuclear power stations currently in operation in the ROK. China, which already has three nuclear power stations, plans to increase that number to 30-40 by 2020. Indonesia plans to build 8-12 new nuclear power stations by 2015. And Thailand plans to build two plants. Since nuclear machinery manufactured in Japan enjoys a strong reputation for safety in the international community, there is a growing voice calling on Japan to supply nuclear power plants.

In the past, three major Japanese heavy industrial corporations—Hitachi, Toshiba, and MHI—refrained from exporting nuclear power stations due to a lack of clear-cut guidelines. Once the AEC works out a framework, these corporations maintain that "they will aim at advancing into overseas markets." Due to a tendency toward reducing the number of new nuclear power stations at home, in particular, these corporations will form joint ventures with American corporations, with which they have technical ties, to engage in business talks on and join in bidding for new nuclear power plants to be built in such countries as Indonesia, Thailand, China, and Taiwan.

At present, these makers have their attention set on the Muria [name as published] Nuclear Power Plant Project (on Jawa Island), the first project in Indonesia. Among the four groups that have indicated their interest are: MHI-Westinghouse (WH) alliance and Hitachi-Toshiba-General Electric (GE) alliance.

In the past, there were only a very few cases of export of nuclear power plant machinery from Japan. For example, MHI supplied pressure containers [atsuryoku yoki] to China's Qinshan Nuclear Power Plant in 1986. In the meantime, both European and American enterprises have begun activities for accepting orders in Asia.

MOFA Reports Names of KEDO Executives

OW2103015995 Tokyo KYODO in English 0026 GMT 21 Mar 95

[FBIS Transcribed Text] Tokyo, March 21 KYODO—A former U.S. diplomat and two Foreign Ministry officials from Japan and South Korea were appointed to the head posts of a New York-based international consortium which is to build two modern light-water reactors in North Korea, the Foreign Ministry said Tuesday [21 March].

The Korean Peninsula Energy Development Organization (KEDO) chose Stephen W. Bosworth, president of the United States-Japan Foundation, as its director at a meeting of its board in New York.

Japan's Itaru Umezu, councillor in the Foreign Ministry's social cooperation division, and Yong Chin-choi, head of the international economics department in the South Korean Foreign Ministry, were named as deputies. Bosworth served as ambassador to Tunisia and the Philippines, and was also in charge of the State Department's energy policy.

Yong and Umezu have been posted at their respective embassies in Washington.

The consortium is a result of a nuclear framework agreement signed between the U.S. and North Korea last October which put a freeze on the north's controversial plutonium-producing nuclear program in exchange for modern light-water reactors and substitute energy.

KEDO will lead the 4 billion dollar project building two 1,000-megawatt light-water reactors in North Korea.

Editorial Questions Sending Mission to DPRK

OW2103101095 Tokyo MAINICHI SHIMBUN in Japanese 19 Mar 95 Morning Edition p 5

[Editorial: "Why Are We Sending a Delegation to the DPRK?"]

[FBIS Translated Text] Diplomacy involving the Korean peninsula is complicated, and it calls for more than one simple approach. Hidden traps and totally unexpected happenings are always present. This is because numerous cross purposes interplay behind the scenes.

Aside from North and South Korea, the complex network of international relations between Japan, the United States and China are also involved. There is the danger of further complicating matters if the difference in the North's and the South's sentiments toward Japan, and the historical background are not taken into account.

Therefore, diplomatic steps taken on the spur of the moment without a supporting concept and strategy on the optimum relationship between the Korean peninsula and Japan, will not only be detrimental to Japan's national interests, but may also undermine our relations with friendly countries. In this sense, one may recall the discussions on "war compensation" during the 1990 visit to North Korea of a delegation led by former Liberal Democratic Party [LDP] Vice President Shin Kanemaru.

The LDP is continuing with consultations to realize a visit to the DPRK (North Korea) by a delegation of the three ruling parties (LDP, Social Democratic Party of Japan [SDPJ] and Sakigake). It is claimed that through this visit, an agreement can be reached on reopening negotiations to normalize diplomatic relations. Why is an agreement between the ruling parties of both countries necessary to reopen normalization talks? It is true that diplomacy by parliamentarians is important, and this enhances international understanding. However, why is it that a ruling party delegation is needed only in the case of North Korea?

The question of when to reopen Japan-DPRK normalization talks, and what issues to take up are matters to be handled through diplomatic contacts. Diplomatic negotiations should be conducted with a free hand, and without constraints and restrictions.

Normalization talks between Japan and North Korea started after a three-party (LDP, SDPJ and Korean Workers' Party) declaration was issued during the Kanemaru delegation's visit. Based on this declaration, North Korea is demanding "war compensation" mentioned in the document.

North Korea asserts that the three-party declaration is binding on the normalization talks. This is a logical position for the DPRK to take.

The problem is: The Japanese politicians were so disastrously ignorant of diplomatic common sense that signing a communique might become a constraint on diplomatic negotiations. They were also not aware that carrying out Japan-DPRK normalization talks without resolving the nuclear issue might give rise to strong objections from the United States and the ROK.

Will the delegation being planned at present not repeat the same mistake? It is said that the draft agreement prepared for this visit gives a definite date for reopening normalization talks, but does not mention an agreement to start with a clean slate on the "war compensation" issue. The timing for reopening negotiations should be a subject for diplomatic maneuvering, and no political party can impose its will on this.

The Kanemaru delegation to North Korea left behind the lesson that it is extremely dangerous for political parties to go casually into diplomacy in the same manner in which they would deal with Diet affairs. There were also maneuverings for vested interests.

Party interests and ambitions relating to the political regime may also be involved in this present visit. There may possibly be maneuverings for vested interests relating to the normalization of relations. Politicians and business people should not seek vested interests in North Korea.

If normalization talks can be resumed just by sending a ruling party delegation, the legitimate thing to do is to reach agreement on resuming talks by contacts between the diplomatic authorities. Some reports say that top Foreign Ministry officials were deeply involved in behind-the-scenes contacts leading to the agreement to send a ruling party delegation. If these reports were true, the whole affair should be questioned.

South Korea is negative about reopening Japan-DPRK negotiations as long as prospects for resuming the North-South dialogue remain unclear. Within the United States, some officials have also expressed concern about reopening the normalization talks before the contract to supply light-water reactors is signed between the United States and the DPRK.

Why is there a need to send a ruling party delegation to North Korea? We think the direction of friendship and future relations, and a diplomatic strategy should first be clarified.

NTT-Led Group Active in Southeast Asia

OW2103125495 Tokyo KYODO in English 1052 GMT 21 Mar 95

[FBIS Transcribed Text] Tokyo, March 21 KYODO—The business group led by Nippon Telegraph and Telephone Corp. (NTT) is aggressively biting into markets in Asia where many countries are accelerating efforts to upgrade communications infrastructure indispensable for economic growth.

With the Japanese market already matured, and competition in the market expected to increase as a result of the government's deregulation, NTT is likely to boost investment in Asian nations further, industry sources said.

So far, the Japanese telecommunications giant has been involved in four projects overseas, of which three are in Asia—Thailand, the Philippines and Vietnam. The only exception is a project in the United States.

In Thailand, it has been participating in a five-year project with Thai Telephone and Telecommunication Co. (TT and T) to establish a communication network of about 1 million telephone circuits throughout Thailand by the end of June 1997.

The two companies agreed in November 1992 that NTT will acquire 20 percent of the stakes in TT and T, then participate in its management and offer NTT technology.

After the project is completed, the constructed infrastructure will be moved under management of the state-run Thai telecommunications firm, but NTT will remain in operation and get a share of operation revenues until 2017.

In the Philippines, NTT is participating in the operation of Smart Communications Inc. by acquiring 15 percent in its stakes based on an agreement announced in January this year.

The Philippine company, operating in the mobile phone and international telecommunications businesses in the country, plans to construct a domestic service network of as many as 700,000 telephone circuits.

In Vietnam, NTT's wholly owned subsidiary, NTT International Corp., is now under a 25 million dollar contract, struck earlier this month with Vietnam's state-run telecommunications corporation to upgrade the telephone cable system in Hanoi.

Enjoying steady economic growth lately, many Asian countries plan to upgrade their communications capacity, industry sources said, adding their expectation of NTT's technology and funding capacity are apparently also high.

Poll Examines Timing of Next General Election

OW2103033395 Tokyo MAINICHI SHIMBUN in Japanese 19 Mar 95 Morning Edition p 3

[FBIS Translated Text] A nationwide poll conducted by MAINICHI SHIMBUN from 10 to 12 March found that 36 percent of the people surveyed wanted the next House of Representatives election to be held "sometime between this fall and the end of the year," 24 percent said it should be held "next year," and 15 percent said it should take place "this summer." The results of the poll indicate that a group which disapproves of the Murayama cabinet and supports the opposition parties hopes for an early election more strongly than another group which supports the Murayama cabinet and the ruling parties. Asked if they know in which single-seat constituency they will vote, 52 percent said, "I know," while 46 percent said, "I do not know."

Broken down by the political parties that the pollees support, 12 percent of the Liberal Democratic Party [LDP] supporters wanted the election to be held "this summer." This figure is relatively small in comparison with those given by groups supporting other political parties. Thirty-eight percent of the LDP supporters said the election should take place "sometime between this fall and the end of the year," and 28 percent said it should be held "next year." The figures are a little larger than those given by other groups. Meanwhile, the percentage of those who picked "sometime between this fall and the end of the year" among New Frontier Party [NFP] supporters was 45 percent, the largest compared to other groups. Twenty-five percent of the NFP supporters said they wanted the election to be held "this summer." This figure is twice as large as that given by LDP supporters. Also, 15 percent of the NFP supporters noted that it should be held "next year." The results indicate that most NFP supporters hope the election will be held at an early date.

The percentages of those who picked "this summer" and "sometime between this fall and the end of the year" among Social Democratic Party of Japan [SDPJ] supporters were almost the same as those given by LDP supporters. However, as many as 34 percent of the SDPJ supporters wanted the election to be held "next year," indicating many SDPJ supporters want to postpone the election until next year. Twenty-nine percent of the Japan Communist Party [JCP] supporters expected the election would take place "this summer."

The poll also broke the pollees into two groups—one which supports the Murayama government and the other which disapproves of the government. Thirty-six percent of the government supporters wanted the election to be held "next year." Meanwhile, 44 percent of those who do not support the government said it should be held "sometime between this fall and the end of the year," 24 percent picked "this summer," and 17 percent chose "next year."

The percentages of those who know in which single-seat constituency they will vote were as follows: 67 percent of NFP supporters, 65 percent of SDPJ supporters, 59 percent of LDP supporters, 50 percent of Komei supporters, 48 percent of Sakigake [Harbinger] supporters, and 41 percent of JCP supporters. It was 47 percent among those who do not support any particular political party.

The survey was conducted by interviewing 3,000 people chosen from among all eligible voters throughout the country on a "stratified multi-stage random-sampling" basis. The cities of Kobe and Nishinomiya and other areas stricken by the earlier Hanshin earthquake were excluded. The response rate was 72 percent.

Political-Bureaucratic Conflict Over Reform

OW2103011495 Tokyo YOMIURI SHIMBUN in Japanese 20 Mar 95 Morning Edition p 2

[FBIS Translated Text] Friction between the ruling coalition parties and bureaucrats over reform of special corporations and deregulation has intensified.

The ruling parties have met strong resistance from agencies and ministries devoted to an organized defense against plans to streamline government-affiliated financial organs. A senior ruling party policy research executive complained: "We have actually experienced the bureaucrats' dirty tricks."

From now on, the ruling parties will be prepared to further strengthen countermeasures on issues such as a review of the business operations of the Japan Development Bank, the promotion of deregulation, and passing legislation on the disclosure of information about special corporations.

The ruling parties have become increasingly irritated because agencies and ministries are unenthusiastic about administrative reform. They also eye the agencies and ministries with distrust, maintaining that "it seems most likely they have taken various measures to crush reform plans."

According to a Liberal Democratic Party [LDP] member, even when public hearings have been held to solicit the opinions of experts from the private sector on streamlining government-affiliated financial organs, "Finance Ministry officials have apparently indoctrinated them with ideas that are to their advantage prior to the hearings."

On the focal issue of streamlining the Japan Export and Import Bank [JEIB], various notes opposing the plan have been circulated. On one occasion LDP Policy Affairs Research Council Chairman Koichi Kato directly asked JEIB Governor Hiroshi Yasuda: "Why is it that the unification of JEIB with the Overseas Economic Cooperation Fund is impossible."

Governor Yasuda replied: "It is because each has different roles to play." A senior LDP executive was later enraged, saying, "one of the notes currently being circulated states that Policy Affairs Research Council Chairman Kato has been trying to make the streamlining of government-affiliated financial organs a political issue."

Another complaint concerns notes from overseas "opposing the abolition of the JEIB," which are "all the same in detail, the only differences being the signatures and the names of the countries from which they have been sent." A senior Foreign Ministry official added that some of the notes, "must have been sent back from foreign countries by copying a sample that was originally written in Japan."

In an attempt to check the various bureaucratic resistance efforts, the ruling parties intend, for the time being, to "pressure" the government to give the mass media details of hearings held to solicit opinions on deregulation from various agencies and ministries.

The ruling parties also intend to take various countermeasures. For example, according to a senior executive of Sakigake [Harbinger], efforts will be made to speed up the adoption of a bill on the disclosure of information about special corporations, "to deprive bureaucrats of their power to resist by forcing them to disclose information that they want to conceal."

As a result, it seems likely that "politicians and bureaucrats" will have an awkward relationship for some time to come.

North Korea

Spokesman on 21 Apr 'Target Date' Statement

SK2103110895 Pyongyang KCNA in English 1100 GMT 21 Mar 95

["U.S. Has No Ground and Justification To Cry For 'Sanctions' In Any Case"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—A spokesman for the Foreign Ministry of the Democratic People's Republic of Korea Tuesday [21 March] gave answers to questions put by KCNA in connection with the fact that the United States is trying to postpone the conclusion of an agreement with the insistence on the provision of South Korean-model light water reactors to the DPRK and is even crying for "U.N. sanctions".

He told KCNA:

Some officials of the United States are nowadays crying for "sanctions", persisting in their unreasonable position toward the reactor model. And they spread the rumors that April 21 is not the "deadline" for the conclusion of an agreement on the provision of light water reactors, but a "target date."

At the last Geneva talks the DPRK made it clear that in case an agreement on the provision of light water reactors was not concluded in six months because of the politically-motivated stand of the United States, we could not but resume the operation of some nuclear facilities because only we would suffer a loss consequent upon our unilateral nuclear freeze.

In this regard, the U.S. side expressed understanding that it was a matter belonging to the sovereignty of the DPRK.

Now the U.S. side says this and that about the date designated as the deadline for the conclusion of an agreement on light water reactors. We cannot but consider that this is a trick to make an excuse for delaying the provision of light water reactors for an indefinite period and, at the same time, maintain the freeze of nuclear activities of the DPRK.

We showed enough magnanimity by advancing flexible proposals in order to settle the controversial issue of the reactor model.

However, the United States goes so far as to talk about "sanctions" against the dialogue partner at this time, the first stage of the implementation of the framework agreement. This makes the DPRK consider that the United States has had no intention to implement the agreement or it has changed its position, prompted by someone else.

The U.S. insistence on the South Korean model is not a mere technical issue but a very serious issue related to the political position of the U.S.

It is self-evident that if the DPRK renounces its legitimate right, tolerates the delay of the conclusion of an agreement on light water reactors and unilaterally maintains its nuclear freeze, as demanded by the United States, the DPRK alone will suffer a fatal blow.

This circumstance can neither be imagined nor be allowed.

If the agreement is abrogated because the U.S. side forces upon us light-water reactors of South Korean model we cannot accept for the reason of political and technical safety, the United States will be to blame for it.

The United States has no ground and justification to cry for "sanctions" in any case.

It is too natural that we take a self-defence measure against the unreasonable "sanctions" in case they are imposed them upon us.

There is no change in our will to implement the DPRK-U.S. agreement, but it clearly presupposes the sincerity of the United States.

Therefore, we will follow whether the U.S. side takes a right stance toward the third round of negotiations on the provision of light-water reactors.

U.S. Denounced for Burdening ROK With Expenses

SK2103010295 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 20 Mar 95

[FBIS Translated Text] According to broadcast reports from Seoul, the United States is attempting to burden the puppets with all the labor expenses that are being paid in South Korean money to cut down expenses for maintaining U.S. forces in South Korea.

In a report submitted to the Senate Armed Services Committee, the General Accounting Office under the U.S. Congress pointed out that this year's labor expenses paid in South Korean money for the maintenance of the U.S. Forces in South Korea amounted to $370 million and maintained that all the labor expenses should be paid by the puppet clique. For this, the General Accounting Office insisted that an agreement should be concluded with the puppets so that the United States would be able to cut $290 million in fiscal year 1996 and $300 million in fiscal year 1997.

The puppet clique begs for the constant occupation of U.S. forces in South Korea while shouldering colossal expenses. However, the burden is becoming heavier due to U.S. pressure and it will eventually result in the further exploitation of the South Korean people.

U.S. Christopher's Middle East Visit Analyzed

SK1803151495 Pyongyang Korean Central Broadcasting Network in Korean 1100 GMT 18 Mar 95

[FBIS Translated Text] Despite repeated mediation efforts with regard to the Middle East, the Middle East peace process has remained stagnant and complicated because of different views among the countries concerned.

U.S. Secretary of State Christopher's eight-day junket to the Middle East, which ended on 15 March, was the 11th such visit in a little over two years. He made this visit because of the U.S. administration's urgent interest in the Middle East.

Through its recent diplomacy of mediation, the U.S. administration reportedly sought to make progress in the peace process in the region, in particular the peace process involving Syria and Israel; to win trust for its ability to handle international affairs; and, eventually, to win a favorable achievement for President Clinton's reelection next year.

For this reason, Christopher visited Egypt, Syria, Israel, Jordan, and the Gaza Strip, a Palestinian autonomous region. He paid particular attention to narrowing the differences in views between Syria and Israel, and tried to coordinate the overall peace process. However, he failed to narrow the differences in views between Syria and Israel, and as a result, no progress has been made in the peace progress. Lebanon, which has taken the same steps with Syria in the peace progress, is in conflict with Israel.

Meantime, Palestine and Israel had agreed to conclude negotiations on Palestinian elections and an Israeli troop withdrawal from Arab residential areas in the West Bank of the Jordan River by 1 July. As a first attempt toward that end, the two countries resumed negotiations in Cairo, Egypt, which lasted two days. However, no progress was made in these negotiations either.

Conflicts between Egypt, Syria, and other Arab countries, all of which demand that Israel join the Nuclear Nonproliferation Treaty, and Israel, which rejects their demand, negatively affect the overall peace process in the Middle East.

Christopher's junket to the Middle East produced no results to speak of, and the peace process remains stagnant. This is related to Israel's unchanging ambition for domination and the United States' biased attitude.

Foreign news reports say: The current governments of the United States and Israel, which put forth Middle East peace as their campaign promise, are paying more attention to bringing about diplomatic achievements in the Middle East to win victories in next year's elections. However, they have failed to bring about such achievements because of their two-faced, contradictory positions.

The Islamic Republic News Agency points out that Arab countries are disillusioned with the United States' two-faced tactics toward the Middle East.

Observers say that given Christopher's previous junkets to the Middle East, U.S. influence in the Middle East issue is limited, and it is still difficult to predict the future of the complicated Middle East situation.

Media on U.S. Plan for 'Collusion' With Japan

SK1803095495 Pyongyang Korean Central Broadcasting Network in Korean 0600 GMT 16 Mar 95

[FBIS Translated Text] According to reports, the United States recently released a so-called U.S.-Japan security study on security strategies for the East Asia-Pacific region, showing its intention to intensify its collusion [kyoltak kwangye] with Japan.

Japan's NHK reported that the U.S. Department of Defense released a report on 2 March on security arrangements between the United States and Japan, appealing for dialogue to achieve closer cooperation in security matters between the two countries following the end of the Cold War.

The U.S. report noted that a U.S.-Japan security treaty is important to the United States in order to cope with the situation in East Asia following the end of the Cold War, and stressed the need to intensify the military collusion between the United States and Japan under the pretext of security.

The U.S. Department of Defense also highly assessed the Japanese Government's appropriations for maintaining U.S. troops stationed in Japan, forced Japan to continue the appropriations to maintain these troops, and asked Japan to take a greater responsibility on a global scale [chigujogin kyumoeso poda kodaran chaegimul matulgosul yoguhaessumnida].

Regarding this, foreign media reported that the U.S. Department of Defense intends to form a powerful military union in the Asia- Pacific region, similar to NATO in Europe, based on the U.S.-Japan security treaty; it also intends to expand the scope of U.S.-Japan military cooperation to make it global. The United States obviously intends to have Japan participate, along with the U.S. Army, in resolving disputes when they arise in the Far East and East Asia.

Forum Promotes Normalization of Ties With Japan

SK1803045095 Pyongyang KCNA in English 0425 GMT 18 Mar 95

["People's Forum Inaugurated for Improvement of Japan-DPRK Relations"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 18 (KCNA)—The people's forum for the promotion of normalisation of diplomatic relations between Japan and the DPRK was inaugurated in Tokyo.

The inauguration reflects the will of Japanese people of all walks of life who demand that the spirit of the joint declaration of three parties of Japan and the DPRK be maintained, the past be liquidated and diplomatic relations be normalised between the two countries at an early date on the lapse of 50 years since the end of World War II.

The inaugural meeting held on March 11 was attended by Hajime Fukada, secretary general of the Dietmen's League for the Promotion of Japan-Korea Friendship, and Sumiko Shimizu, secretary general of the liaison council of Japanese women for solidarity with Korean women, who are Social-Democratic members of the House of Councillors, and other Japanese people and Ho Chong-man, chief vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan.

Prof. Chiro Suzuki of Soka University made a report, to be followed by speeches of Ho Chong-man and Japanese personages.

Mutsuko Miki, widow of a former Japanese prime minister, and Prof. Chiro Suzuki were elected chief secretaries of the forum.

An appeal was adopted at the meeting.

Lectures followed the meeting.

Kim Yong-sam Berated for Activities in Europe

SK2103090395 Pyongyang Korean Central Broadcasting Network in Korean 1222 GMT 20 Mar 95

[Commentary: "Foolish and Rash Acts by Those Who Are Impudent"]

[FBIS Translated Text] The puppet traitor Kim Yong-sam is acting imprudently, not knowing his place. He did so when he recently jaunted to Britain. In so-called talks with that country's authorities, the traitor puppet meanly begged them to help South Korea become a nonpermanent member of the United Nations Security Council [UNSC] for the 1996-1997 term, mentioning that if South Korea obtains the membership, he will have an opportunity to express his thankfulness to the United Nations for their military assistance during the Korean War. He even said that South Korea is ready to send its troops to UN peacekeeping operations [PKO], surpassing Sri Lanka.

No matter whether he said so according to a manuscript prepared by someone else or if it was an idea originated by himself, a political ignoramus, this is a very rash act that enables us to analyze the traitor Kim Yong-sam's true character.

The first thing we can learn from this act is that the traitor Kim Yong-sam is the most vicious challenger to reunification and peace. His remarks on the thankfulness of the United Nations military assistance and the like indicate his willingness to express appreciation to those countries that follow the United States and that were hired in the war of aggression against our Republic in the name of UN Forces.

It is well known what was done by the U.S. followers hired in the Korean War, wearing the caps of UN Forces. As disgracefully-hired troops, they participated in a war of aggression against a foreign country, engaging in killing, incendiarism, and destruction. The traitor Kim Yong-sam said he would express thankfulness to them at the United Nations. How can he do so, by wearing the mask of a Korean?

The Kim Yong-sam clique has a covert aim to oppose the peaceful reunification of Korea and to aggravate the atmosphere of division and confrontation on the Korean peninsula by abusing the UNSC. In other words, the Kim Yong-sam clique is trying to pursue its antireunification and divisionist purpose by using the United Nations, running counter to the objective and principle of the Untied Nations.

It is needless to explain how the dignity and face of the UNSC would be influenced by the admission of this clique as a member. The puppet traitor Kim Yong-sam is a peerless scoundrel without any sense of morals or decency.

The upcoming 50th General Meeting of the United Nations will elect nonpermanent members to the UNSC, including an Asian country, for the two-year term 1996 to 1997. In the past, Asian countries used to apportion the UNSC seat allotted to Asia in accordance with the spirit of traditional cooperation and with a customary regional order. According to this custom, this time Sri Lanka was nominated as the candidate for South Asia.

However, the South Korean puppets abruptly meddled in and tried to occupy the seat, pushing out Sri Lanka. As shown by this, the South Korean puppets are acting indiscreetly in a bid to realize their true intention, taking no regard of custom and the spirit of traditional cooperation among Asian countries.

As they already look down upon and try to overpower others, it is easy to guess how lordly and haughtily the South Korean puppets would bear themselves if they obtained UNSC membership. They will possibly bite off one country one day, and another some other day. When the South Korean puppets, with the nature of a beast, become a UNSC member, then who will trust the UNSC?

The South Korean puppets confront Sri Lanka, which has already been nominated for the candidate, by planning to send PKO troops so as to surpass Sri Lanka, damaging the face of the UN PKO troops whose mission is to maintain peace and security throughout the world.

Western countries now say the election of an Asian country as a nonpermanent member of the UNSC is a regional issue, and Asia had better resolve the issue by conforming to custom. Many UN member nations respect and value the spirit of traditional cooperation among Asian countries.

However, taking no regard of this, the puppet traitor Kim Yong- sam is desperately trying to become a nonpermanent member of the UNSC, and is embarrassing Western countries and other UN member nations, even ignoring their demands. This indicates the possibility that the South Korean puppets will be troublemakers who will disturb UN activities.

What is ridiculous is that the South Korean puppets are trying to win the support of Western countries, being puffed up by a colonial economy, with little economy of their own. Wherever he stopped during his recent jaunt to Europe, the traitor Kim Yong-sam made sly remarks for frame-supports such as investment, cooperation, and the like. In Britain, the puppets said if Britain helps South Korea be elected a nonpermanent member of the UNSC, a basic portion of South Korea's investment in Europe will be focused on Britain. However, they failed to receive a positive answer from Britain.

South Korea is the internationally-recognized worst place for human rights. The traitor Kim Yong-sam is a colonial puppet who is played by outside forces, having no independence, and is a vicious fascist autocrat and war maniac. These puppets' bid to enter the Untied Nations is a disgrace to the United Nations as well as a derision of UN member nations.

Those who value justice and fairness will never allow the South Korean puppets' imprudent and rash acts. The South Korean puppets had better stop playing the foolish game before being put to greater shame.

Chinese Art Troupe Arrives 17 Mar for Festival

SK1703225295 Pyongyang KCNA in English 1507 GMT 17 Mar 95

[FBIS Transcribed Text] Pyongyang, March 17 (KCNA)—A Chinese art troupe arrived here today to attend the 13th April Spring Friendship Art Festival.

It was met at Pyongyang railway station by Kim Chong-ho, vice-chairman of the organizing committee of the festival and vice- minister of culture and art, and officials concerned.

Earlier, an art group of Koreans in China arrived here.

Visits Statue of Kim Il-song

SK1803105395 Pyongyang KCNA in English 1039 GMT 18 Mar 95

[FBIS Transcribed Text] Pyongyang, March 18 (KCNA)—A Chinese art troupe which came here to participate in the 13th April Spring Friendship Art Festival laid bouquets of flowers before the statue of the great leader President Kim Il-song on Mansu Hill and paid him homage on Friday [17 March].

Head of the art troupe Ruan Runxue said President Kim Il-song was a great friend of the Chinese people, adding that he is always alive in their hearts.

"We are glad to see the Korean people making signal achievements in their efforts to build Korean-style socialism under the guidance of Comrade Kim Chong-il," he said.

"We hope that the friendship between the two peoples will be immortal," he stressed.

PRC Pomminnyon Welcomes Pomminnyon in ROK

SK1703045095 Pyongyang KCNA in English 0432 GMT 17 Mar 95

[FBIS Transcribed Text] Pyongyang, March 17 (KCNA)—The headquarters of Koreans in China of the National Alliance for the Country's Reunification (Pomminnyon) sent a congratulatory telegram on March 7 to the South side headquarters of Pomminnyon on its inauguration.

The telegram said the South side headquarters of Pomminnyon could be inaugurated because the South Korean people fought without abandoning their faith and will for reunification and patriotism, in the teeth of the suppression and obstructions by the separatists.

The headquarters of Koreans in China of Pomminnyon and all the Korean residents in China will, together with the South side headquarters of Pomminnyon, fight to promote national reunification on the three principles of independence, peaceful reunification and great national unity, the telegram emphasized.

Paper Denounces ROK 'Anticommunist' Stance

SK2103102595 Pyongyang KCNA in English 1021 GMT 21 Mar 95

["Anti-Communist Group Will Go To Doom"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—With no machination the Kim Yong-sam group can cover up its dirty color as a group of anti-communist mischief-makers who are rare to be seen in the world.

NODONG SINMUN today says this in a signed article.

Citing data to expose that since it took office, the Kim Yong-sam group has reinforced the structure and function of the "Agency for National Security Planning" (ANSP) and viciously resorted to intelligence and plot-breeding against the nation and democracy, taking the agency as a basic means for the maintenance of its power, the article says:

The group has, first of all, concocted through the ANSP a number of shocking cases so as to aggravate the North-South confrontation and at the same time, to brutally crack down upon the popular movement for independence, democracy and reunification.

In two years after it took office, the Kim Yong-sam group faked up in succession dramatic cases against the North, through the agency, such as "brother and sister spy-ring case", "case of a married couple of spy students studying abroad who surrendered themselves" and "case of the National Salvation Vanguard", each of which was followed by criminal steps to incite antagonism between the North and the South and repress the patriotic, pro-reunification democratic forces.

The group lets the ANSP have a hold over the "administration," political parties, the parliament, the prosecution, police and all other power and uses it as a shockbrigade in cracking down upon the pro-reunification democratic forces.

The paper goes on:

If the Kim Yong-sam group, the enemy of reunification and the nation, is left engaging itself in treacherous moves with the help of the ANSP, which is the most anti-national, anti-democratic fascist tool, a great disaster might be inflicted upon the nation.

The entire nation will throw the Kim Yong-sam group, a gang of anti-communist plotters who surpass the military dictators, into a dust-bin of history.

Struggle for Grand Reunification Festival Viewed

SK2103151595 Pyongyang KCNA in English 1511 GMT 21 Mar 95

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—The appeal of the joint meeting of political parties and organisations of the Democratic People's Republic of Korea on jointly celebrating the 50th anniversary of the liberation of the country, holding a grand national conference and discussing and confirming the way of the reunification of the country on August 15 this year has been fully supported by overseas Koreans.

The European headquarters of the National Alliance for the Country's Reunification (Pomminnyon) in a statement expressed its determination to take part as a member of the 70 million nation in a grand national conference which will discuss the question of national reunification, with the spirit of national independence which is stressed at the 10-Point Programme of the Great Unity of the Whole Nation put forward by the great leader Comrade Kim Il-song and do its utmost to hold with success all the functions for celebrating the year when reunification will be realized.

The Pomminnyon headquarters of Koreans in Japan noted that it will take a joint action in firm unity with all the regional organisations of Pomminnyon in the North, South and abroad and strive to make pro-reunification forces and compatriots at home and abroad participate in the August 15 grand festival and a grand national conference.

A spokesman for the Pomminnyon headquarters of Koreans in China stressed that those who want the unity of the nation and a peaceful reunification of the country must turn out in the patriotic struggle for reunification, transcending differences in ideology, political view and religious belief, no matter what they do anywhere.

Chae Chong-man, chief of the organisation of Korean citizens in Sakhalin, in a statement said that with the South Korean ruling group left intact, the unity of the nation and the reunification of the country can never be expected. In order to hold the August 15 grand reunification festival with success, the compatriots in the North, South and abroad must turn out as one in the nation-wide struggle to have the "National Security Law" scrapped, which antagonizes the fellow countrymen and blocks the great national unity and the road of reunification, he stated.

Overseas Koreans also widely introduced the appeal of the joint meeting of political parties and organizations of the DPRK through NEW KOREA TIMES, PAEKTU-HALLA and other newspapers and magazines, and have held meetings to lift voices calling for rising up in a nationwide struggle to realize the August 15 Grand Reunification Festival and a grand national conference.

Delegation Head Meets Leaders in Copenhagen

SK1703040895 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 13 Mar 95

[FBIS Translated Text] Vice President Kim Pyong-sik, head of the DPRK delegation participating in the World Summit on Social Development, met separately with Tanzanian President Ali Hassan Mwinyi; Indonesian President Suharto; Ugandan President Yoweri Kaguta Museveni; Algerian President Liamine Zeroual; Indian Prime Minister P. V. Narasimha Rao; Malaysian Prime Minister Datuk Sri Mahathir bin Mohamed; and Cambodian First Prime Minister Norodom Ranariddh in Copenhagen, the capital of Denmark on 11 March.

During the meetings, the head of the delegation conveyed the great leader [yongdoja] Comrade Kim Chong-il's greetings to the state and government heads. The state and government heads expressed deep gratitude and asked the head of the delegation to convey their warm greetings to the great leader [yongdoja] Comrade Kim Chong-il. Talks were held amid a friendly atmosphere.

Meets With Head of Danish SDP

SK1703042395 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 13 Mar 95

[FBIS Translated Text] Vice President Kim Pyong-sik, head of the DPRK delegation participating in the World Summit on Social Development, met Steen Christensen, general secretary of the Danish Social Democratic Party [SDP], on 9 March. During the meeting, talks were held in a friendly atmosphere.

Meets With More Foreign Delegates

SK1803033395 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 14 Mar 95

[FBIS Translated Text] Vice President Kim Pyong-sik, head of the DPRK delegation to the World Summit for Social Development, met respectively with Thai Prime Minister Chuan Likphai, Philippine President Fidel Ramos, and German Chancellor Helmut Kohl on 12 March.

The Thai prime minister asked the head of the delegation to convey his most sincere greetings to the great leader [yongdoja] Comrade Kim Chong-il. He said that Thailand and the DPRK are both Asian countries whose common factor was not possessed by Western countries and should be promoted for development of relations between the two countries.

The Philippine president also mentioned the definition of relations between the Philippines and the DPRK.

The German chancellor said: "It is a good sign that DPRK-U.S. relations recently showed positive changes. Germany looks forward to such changes and hopes everything resolves itself. Relations between Germany and the DPRK will develop in the future."

On the same day, the head of the DPRK delegation attended a banquet hosted by PRC Premier Li Peng.

Returns Home From Denmark 18 Mar

SK1803213795 Pyongyang KCNA in English 1538 GMT 18 Mar 95

[FBIS Transcribed Text] Pyongyang, March 18 (KCNA)—A delegation of the Democratic People's Republic of Korea headed by Vice-President Kim Pyong-sik returned home today after taking part in the World Summit on Social Development held in Denmark.

It was met at the airport by Vice-Minister of Foreign Affairs Song Ho-kyong and a councillor of the Chinese Embassy in Korea.

WPK Sends Greetings to Lao Revolutionary Party

SK2103101995 Pyongyang KCNA in English 1015 GMT 21 Mar 95

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—The Central Committee of the Workers' Party of Korea [WPK] today sent a telegram of greetings to the Central Committee of the Lao People's Revolutionary Party on the 40th anniversary of the foundation of the party.

The telegram said that after the foundation the Lao People's Revolutionary Party won brilliant victory in national liberation, by leading the arduous revolutionary struggle of the Laotian people against imperialism and colonialism and for liberation of the country.

The telegram noted that it is rejoiced over the great advance made by the Laotian people in their struggle for building a new society under the correct leadership of the Lao People's Revolutionary Party led by Comrade Khamtay Siphandone.

Expressing the belief that the excellent friendly and cooperative relations between the parties and peoples of the two countries would grow stronger and develop in the future, the telegram wished the party and the people of Laos greater success in the struggle to defend the achievements of the revolution and build a prosperous country.

Indian Ambassador Attends Friendship Meeting

SK2103045095 Pyongyang KCNA in English 0424 GMT 21 Mar 95

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—A friendship gathering with officials of the Indian Embassy here was held at the Korea-India Friendship Pyongyang Wasan Senior Middle School on Monday.

Present there were officials concerned, teachers and pupils of the school.

Indian Ambassador to Korea Adya Nand Jha and his embassy officials were present on invitation.

The participants went round educational facilities of the school equipped on modern lines and saw an art performance given by pupils. They deepened the feelings of friendship between the two countries, conversing with one another.

Association Meeting Marks Tunisian National Day

SK1703044895 Pyongyang KCNA in English 0430 GMT 17 Mar 95

[FBIS Transcribed Text] Pyongyang, March 17 (KCNA)—A meeting was sponsored by the Korea-Tunisia Friendship Association here on Thursday to mark the 39th national day of the Republic of Tunisia.

It was attended by Chon Yon-ok, vice-chairperson of the Committee for Cultural Relations With Foreign Countries and chairperson of the Korea-Tunisia Friendship Association, and officials concerned and working people in the city.

A speech was made and a congratulatory message to the Tunisian president adopted at the meeting.

Meeting Held To Mark Namibian Independence

SK2103044895 Pyongyang KCNA in English 0422 GMT 21 Mar 95

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—A meeting was held in the name of the Korea-Namibia Friendship Association in Pyongyang on Monday on the occasion of the fifth anniversary of the independence of Namibia.

Present there were Chon Yon-ok, vice-chairperson of the Committee for Cultural Relations With Foreign Countries and chairperson of the Korea-Namibia Friendship Association, and other officials concerned and working people in the city.

A speech was made at the meeting which was followed by the adoption of a message of greetings to the president of Namibia.

SPA's Yang Hyong-sop Sends Telegrams Overseas

To Brazilian Legislature

SK1803101695 Pyongyang KCNA in English 1003 GMT 18 Mar 95

[FBIS Transcribed Text] Pyongyang, March 18 (KCNA)—Chairman of the Supreme People's Assembly [SPA] Yang Hyong-sop sent telegrams respectively to Jose Sarnei and Luis Eduardo Magalhaes [spelling of names as received] upon their election as president of the Senate and president of the Chamber of Deputies of Brazil.

Expressing the belief that the relations of friendship between the Supreme People's Assembly of the Democratic People's Republic of Korea and the Senate and the Chamber of Deputies of the Federal Republic of Brazil would develop favourably in the interests of the two peoples, the telegrams wished them success in their responsible work.

To Marshal of Polish Sejm

SK1803101995 Pyongyang KCNA in English 1004 GMT 18 Mar 95

[FBIS Transcribed Text] Pyongyang, March 18 (KCNA)—Chairman of the Supreme People's Assembly Yang Hyong-sop sent a telegram to Jozef Zych [spelling of name as received] upon his election as marshal of the Sejm of the Polish Republic.

Expressing the belief that the relations between the parliaments of the two countries would develop for the better in the future, the message wished him success in his work.

Visits To Japan, From Other Countries Reported

SK2103151995 Pyongyang KCNA in English 1512 GMT 21 Mar 95

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—A delegation of the Korean Christian Federation led by Kang Yong-sop, chairman of its Central Committee, left here for Japan today.

Takao Kamakura, director of the board of the International Institute of the Chuche Idea, and his party, a delegation of the October 8 Revolutionary Movement of Brazil led by Sergio Rubens de Araujo, international secretary of its Central Committee, and a delegation of the Norwegian Foreign Ministry led by Lasse Seim [spelling of all names as received], deputy general director of the Foreign Ministry, arrived here today.

Foreign Party, State Leaders Support 'Cause'

SK2103150795 Pyongyang KCNA in English 1503 GMT 21 Mar 95

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—Foreign party and state leaders expressed full support to the cause of socialism and the cause of reunification of Korea when they received DPRK ambassadors to their countries recently. Senegalese President Abdou Diouf said he was pleased that his excellency Kim Chong-il, the great leader of the Korean people, is successfully carrying forward the cause of President Kim Il-song. He wished his excellency Kim Chong-il great success in the performance of his duty at the highest post of Korea.

Burkina Faso President Blaise Compaore noted that his excellency dear Kim Chong-il, the great leader of the Korean people, is wisely leading socialist construction after the death of the great leader President Kim Il-song.

He supported the reunification proposals of the DPRK Government and hoped that Korea would be reunified at an early date.

Eleazar Gutarra Maravi [spelling of name as received], chairman of the Peruvian Nationalist Movement of Labour, said that the brilliant achievements made by the Korean people in socialist construction, the cause of national reunification and external relations, closely united around the great leader Comrade Kim Chong- il, greatly inspired the socialists in Peru. The Peruvian Nationalist Movement of Labour defends and supports the chuche idea and Korean-style socialism and expresses solidarity for the Korean people's cause of national reunification, he added.

Moukoueke Cristophe [spelling of name as received], general secretary of the Pan-African Union for the Social Democracy of the Congo, said that the socialist reality of Korea shows well that although the Berlin Wall was pulled down and the former East European socialist countries collapsed, it does not mean the end of socialism.

The experience of building the Workers' Party of Korea which is tested and has a long tradition of struggle will become a very useful and precious experience, a powerful weapon, for his young party, he stressed.

Kim Chong-il Receives More Birthday Greetings

SK1903080795 Pyongyang KCNA in English 0801 GMT 19 Mar 95

[FBIS Transcribed Text] Pyongyang, March 19 (KCNA)—The great leader Comrade Kim Chong-il received congratulatory telegrams and letters from the participants in meetings, gatherings, seminars and other events which were held to celebrate his birthday in Havana of Cuba, Fredrikstad of Norway, Cairo of Egypt, Dhaka of Bangladesh, Gitega of Burundi, Kumasi of Ghana, Moscow of Russia, Maputo of Mozambique, Lusaka of Zambia, Lahore of Pakistan, Harare of Zimbabwe, Georgetown of Guyana, New Delhi of India, Sofia and Pravete of Bulgaria, Dar es Salaam and Dodoma of Tanzania, Katmandu and Kabre of Nepal, Lima of Peru, Bamako of Mali and San Jose of Costa Rica.

The telegrams and letters extend warmest congratulations to Comrade Kim Chong-il on his birthday and wish him a long life in good health.

They wish him success in his work for the independent and peaceful reunification of the country, the victory of the socialist and communist cause in Korea and the development of the international communist movement.

Sends Replies to Messages

SK1903082495 Pyongyang KCNA in English 0817 GMT 19 Mar 95

[Spelling of names of all party leaders as received]

[FBIS Transcribed Text] Pyongyang, March 19 (KCNA)—The great leader Comrade Kim Chong-il sent messages to foreign party and state leaders in reply to their messages of greetings on his birthday.

The replies were sent to Said Mohamed Djohar, president of the Federal Islamic Republic of Comoros; P.J. Patterson, prime minister of Jamaica; President Man Mohan Adhikari and General Secretary Madhav Kumar Nepal of the Central Committee of the Nepal Communist Party (UML); Narayan Man Bijukchhe, chairman of the Central Committee of the Nepal Worker-Peasant Party; Abdallah al Chahal, secretary of the regional leadership of the Arab Socialist Baath Party of Lebanon; Walid Jumblatt, president of the Socialist Progressive Party of Lebanon; Inaam Raad, chairman of the Nationalist Socialist Party of Syria in Lebanon; B. Dashyondon, general secretary of the Mongolian People's Revolutionary Party; Banharn Silapa-Archa, leader of the National Party of Thailand; Dogu Ferincek, chairman of the Workers' Party of Turkey; Rafiq Ahmad Sheikh, secretary-general of the Pakistan People's Party; Iqbal Ahmed Khan, secretary-general of the Pakistan Muslim League; Chairman Vassos Lyssarides and General Secretary Yiannakis Omirou of the Central Committee of the Socialist Party of Cyprus, Yacob Zayadine, general secretary of the Central Committee of the Jordanian Communist Party; H.S. Surjeet, general secretary of the Central Committee of the Communist Party of India (Marxist); Indrajit Gupta, general secretary of the National Council of the Communist Party of India; Roland Atta-Kesson, national chairman of the National Convention Party of Ghana; Huudu Yahaya, general secretary of the National Democratic Congress of Ghana; El Hadj Boubacar Biro Diallo, general secretary of the Party for Unity and Progress of Guinea; Ibrahima N'Diaye, secretary general of the Executive Committee of the African Party for the Solidarity and Justice of Mali; Mamadou el Bechir Gologo, secretary general of the National Direction Committee of the Sudanese Union-African Democratic Rally in Mali; Ali Houdou, secretary general of the Party of Revolution of Benin; Otete Gaston Mboyo, national chairman of the National Movement of the Genuine Lumumbist Combatants of Zaire; Lawrence Mtazama Gama, secretary general of the Revolutionary Party of Tanzania; Moukoueke Cristophe, general secretary of the Pan- African Union for the Social Democracy of the Congo; Youssef Amin Wali, general secretary of the Egyptian National Democratic Party; Klaus Riis, chairman of the Central Committee of the Communist Party of Denmark (M-L [Marxist-Leninist]); Preben Moller Hansen, chairman of the Danish Workers' Party, Common Cause; Vassalo Anthony, general secretary of the Central Committee of the Communist Party of Malta; Roger Gailliez, general secretary of the Belgian Socialist Party (Vallon); Frank Baude, chairman of the Central Committee of the Communist Party-KPML (R) of Sweden; President Marian Donnelly and General Secretary Pat Quearney of the Workers' Party of Ireland; Michael Hicks, general secretary of the Britannic Communist Party; Eric Trevett, general secretary of the Central Committee of the New Communist Party of Great Britain; Juan Ramos, general secretary of the Communist Party of the Peoples of Spain; Peter Persaud, leader of the Amerindian Action Movement of Guyana; Leslle Ramsammy, leader of the United Republican Party of Guyana; Llewelyn John, leader of the People's Democratic Movement of Guyana; Eli Altamlrano, general secretary of the Central Committee of the Communist Party of Nicaragua; Gus Hall, national chairman of the Communist Party of the USA; Sam Marcy, chairman of the Workers World Party of the United States; Indalicio Sayago Herrera, general secretary of the Central Committee of the Socialist People's Party of Mexico; Marcos Domic, first secretary of the Central Committee of the Communist Party of Bolivia; President Pedro Ortega Dias and Secretary General Trino Melean of the Central Committee of the Communist Party of Venezuela; Gustavo Marquez Marin, chairman of the Venezuelan Movement to Socialism; Hardial Bains, national leader of the Communist Party of Canada (Marxist-Leninist); Alvaro Vasquez del Real, general secretary of the Central Committee of the Communist Party of Colombia; Victor Sanchez Bilagra, chairman of the February Revolutionary Party of Paraguay; General Secretary Renan Raffo Munoz and International Secretary Guillermo Herrera Montecinos of the Central Committee of the Peruvian Communist Party; Gustavo Mohme Ryona, national secretary general of the Socialist Political Action Party of Peru; Alberto Moreno, general secretary of the Central Committee of the Communist Party of Peru (Red Motherland); Genaro Ledesma Izquieta, chairman of the People's Front of Workers, Peasants and Students of Peru; Guzman Rivera Castaneda, general secretary of the Socialist Revolutionary Party of Peru; and Angel Castro Lavarello, president of the National Executive Committee of the Left Revolutionary Union of Peru and chairman of the National Liberation Front of Peru.

Comrade Kim Chong-il in his replies expressed deep thanks to them for the warm congratulations on his birthday.

He also manifested the belief that the friendly and cooperative relations between Korea and those countries and the Workers' Party of Korea and those parties would continue to develop favorably in the future, too.

Foreign Scholars, Educators Praise Kim Chong-il

SK2003214195 Pyongyang KCNA in English 1505 GMT 20 Mar 95

[FBIS Transcribed Text] Pyongyang, March 20 (KCNA)—The Korean people are successfully carrying forward and accomplishing the revolutionary cause of chuche started from Mt. Paektu generation after generation, without any vacillation and vicissitudes, [words indistinct] of the group for the study of the chuche idea of Kim Il-song-Kim Chong-il in Austria, referring to his impressions of the secret camp on Mt. Paektu, said that his excellency dear Kim Chong-il was born in a small log cabin of the camp and grew up to be a great leader, hearing gun-reports of the great anti-Japanese war as a cradle song.

Mt. Paektu is a native place dear to the hearts of world progressive humankind, he said, adding that the Korean revolution started from Mt. Paektu is vigorously advancing under the banner of the chuche idea.

Ediwad S. Sichatan, an educator of Guyana, stressed that the Korean revolution started from Mt. Paektu has made a long drive thanks to the revolutionary spirit of Paektu, the high revolutionary spirit of the Korean people to rally firm around the great leader Comrade Kim Chong-il and fight to the end under his leadership.

Apas Ali, associate professor of the Rajshi University of Bangladesh, said that His Excellency Kim Chong-il scientifically and theoretically formulated the revolutionary idea of President Kim Il- song, put forward the programme of modelling the whole society on the chuche idea and an outstanding idea and theory on the inheritance and accomplishment of the revolutionary cause of the leader and gave a perfect exposition of all theoretical and practical matters arising in successfully accomplishing the revolutionary cause of the leader generation after generation.

Yukio Yoshii, head of the delegation of the Japan committee for the study of Kimilsongism, stated that thanks to the energetic leadership of Mr. Kim Chong-il fundamental changes have been brought about in ideological and mental traits, [word indistinct] of activity and work method of the Korean people and that they carved his august name in a rock on a peak rising high in the secret camp of Mt. Paektu with their rock-firm will to finally accomplish the revolutionary cause of chuche started from Mt. Paektu under his leadership.

Kim Chong-il Receives Japanese Seminar Letter

SK2103044795 Pyongyang KCNA in English 0420 GMT 21 Mar 95

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—The great leader Comrade Kim Chong-il received a letter from the participants in the National Seminar on the Chuche Idea and the Normalization of Diplomatic Relations Between Japan and the Democratic People's Republic of Korea.

The letter notes that the seminar is of historical significance as a national seminar, the first of its kind, since his excellency Kim Chong-il began leading the revolution and construction as the supreme leader of Korea.

"Socialism Is a Science" published by His Excellency Kim Chong- il, indicating that socialism is sure to win because it conforms with the independent nature of man and the law of the historical development, is a historical work which illumines the prospect of an ideal society, aspired after by humankind, not only for the Korean people but for the progressive people of the world, the letter says.

The seminar laid stress on the question of embodying the chuche idea for the happiness of the Japanese people and building of a new society through a deep-going study of the idea and its combination with social practice, the letter says.

"Availing ourselves of this opportunity, we determine to tighten our relations with the chuche idea study societies across Japan and broad segments of people who are conducting the movement for friendship between Japan and the DPRK, to more deeply study the chuche idea, and at the same time, to invigorate the activities for an independent Japan and the normalization of diplomatic relations between Japan and the DPRK", the letter says.

The letter wishes Comrade Kim Chong-il good health and a long life.

Nepalese Party Publishes Book on Kim Chong-il

SK1803104995 Pyongyang KCNA in English 1042 GMT 18 Mar 95

[FBIS Transcribed Text] Pyongyang, March 18 (KCNA)—The Central Committee of the Nepal Worker-Peasant Party published the book "Korea and Kim Chong-il Viewed by Foreigners" in Nepal in celebration of the birthday of the great leader Comrade Kim Chong-il.

A portrait of Comrade Kim Chong-il is printed on the front cover of the book.

The book contains a brief biography of Comrade Kim Chong-il.

Edited in the book are an address of Narayan Man Bijukchhe [spelling of name as received], chairman of the Central Committee of the Nepal Worker-Peasant Party, to congratulate Comrade Kim Chong-il on his birthday, an article titled "Independent Country" by a member of the U.S. Institute of Korea, and an article titled "Scientific Socialism Is Invincible" by Nikolay Mishin, a Russian writer.

The editor's note reads:

We publish this book in order to help the readers have a correct understanding of how foreigners view the Democratic People's Republic of Korea. The book is aimed at bringing the brilliant history of Comrade Kim Chong-il, the great leader, home to the Nepalese people.

Kim Chong-il Thanks Telecommunications Workers

SK2103050495 Pyongyang KCNA in English 0435 GMT 21 Mar 95

["Comrade Kim Chong-il Thanks Officials and Working People of Several Units"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—The great leader Comrade Kim Chong-il extended thanks to officials and working people of management bureaus of the Ministry of Post and Telecommunications and provinces, cities and counties including Pyongyang municipality, South and North Pyongan Provinces, South Hwanghae and Kangwon Provinces for their examples in accelerating the modernization of post and telecommunications.

They have pooled their strength and wisdom to continuously raise the qualitative level of the equipment of telecommunication and means of management through constant technical renovation to meet the demand of the development of the situation.

Comrade Kim Chong-il also sent thanks to scientists, technicians, designers, teachers, workers and officials of the Munpyong Smeltery, the Institute of Nonferrous Metals of the State Academy of Sciences, the nonferrous metal design office and the faculty of automation of Kim Il-song University for their contribution to strengthening the self-reliance of the refining industry.

Yi In-mo Article Praises Leader Kim Chong-il

SK2103053995 Pyongyang KCNA in English 0452 GMT 21 Mar 95

["'We Are Indeed Blessed With Leader'; Yi In-mo's Article Contributed to NODONG SINMUN"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—Yi In- mo, former war correspondent of the Korean People' Army widely known to the world as the incarnation of faith and will, contributed an article to the editorial board of NODONG SINMUN on the lapse of two years since he was embraced in the socialist homeland.

NODONG SINMUN on Monday devoted nearly one whole page to his article entitled "We Are, Indeed, Blessed With Leaders".

In his article he writes that the Korean people led by the great leader Comrade Kim Chong-il whose idea, leadership ability and traits are the same with those of the great leader President Kim Il- song are, indeed, the people blessed with the leader.

He says in the first part "The World Is in Bitter Tears":

The Korean people as well as the world people who are different in political view, religious belief, language and colours, were wailing in bitter grief at the unexpected loss of the great leader President Kim Il-song last year.

If it were not for the great General Kim Chong-il who defends the safety of the motherland and the destiny of the people at the hard time when the whole country was bathed in tears of blood and the enemy with a dagger in his belt was looking over from outside, Korea could not exalt its honor nor socialism make a long drive toward victory nor people grow stronger as they are today. This is a wonderful reality which nobody could expect.

He points out in the second part "I Saw Great Revival":

We live, seeing the politics of the fatherly leader in the politics of General Kim Chong-il for people and the idea of the leader in the idea of the general and feeling the love of the leader in the love of the general.

The iron will and superb resources of General Kim Chong-il who beat back the imperialists who fermented a nuclear frenzy to isolate and stifle us last year were the same with the unrivalled stamina of the great leader who defeated the allied forces of the imperialists and brought the July 27 victory in the war in the 50s.

The mind of the general for the people is also the same with that of the leader. The mind of our general is love entirely for our people.

Yi In-mo in the third part "We Live in the Country of the Sun" says:

Although the fatherly leader passed away, the sun is brilliant in the sky above our country.

Respected General Kim Chong-il shines as the great sun.

Under the great sun we live as the strong people of a strong country. Our country is neither big in territory nor large in population. But as its independence is strongest, it is a dignified country which defends the dignity of the nation, not cringing to anyone, says its say, not currying favour with anyone and allows nobody to touch even a clump of our grass and a stump of our trees with the might of single hearted unity. The dignity of our people is at once the dignity of General Kim Chong-il.

Our people live in confidence and optimism as they are led by General Kim Chong-il, a gifted thinker, outstanding statesman and great practician.

The country of the sun where we live is as everlasting as the sun and the future of Kim Chong-il Korea is as bright as the sunshine.

Led by respected General Kim Chong-il, we are indeed blessed with the leader. And we shout "Long Live Our Being Blessed With the Leader."

More on State Decorations for KPA Commanders

SK1803101095 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 17 Mar 95

[FBIS Translated Text] A meeting took place yesterday at Pyongyang Gymnasium to award state citations and gifts to participants at a meeting of Korean People's Army [KPA] company commanders and political instructors.

Placed in front of the gymnasium was a portrait of Comrade Kim Il-song, the great leader of our party and people.

The slogans "Long live the great leader Comrade Kim Il-song!" and "Long live the honorable Workers Party of Korea [WPK]!" were also placed at the gymnasium.

Present at the award ceremony were Comrade Choe Kwang, member of the WPK Central Committee Political Bureau and chief of the KPA General Staff; Comrades Kim Pong-yul and Kim Kwang-chin, KPA vice marshals; senior officials of the Ministry of the People's Armed Forces; KPA generals; and participants in the meeting of KPA company commanders and political instructors.

The award ceremony began with a chorus of "Song of General Kim Il-song" and "Song of Dear Comrade Kim Chong-il."

At the award ceremony, officers Hong Sam-pyo and Han Ho-yong were given the title of Hero of the DPRK. With boundless loyalty and devotion to the party, the leader [suryong], the fatherland, and the people, they have devoted themselves to strengthening companies in the People's Army, and thus greatly contributed to beefing up the political and military strength of the entire Army. Many other soldiers were given state citations.

Gifts by Comrade Kim Chong-il, the KPA's supreme commander, were given to all participants at the meeting.

The participants at the meeting, filled with boundless emotion and joy, enthusiastically shouted "Long live General Kim Chong-il, the respected and beloved supreme commander!"

Officers Han Ho-yong, Pak Ho-yong, and Han Yong-pom debated at the award ceremony.

People Congratulate KPA Meeting Participants

SK2103045495 Pyongyang KCNA in English 0429 GMT 21 Mar 95

["KPA Officers Inspired by People Across Country"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—People throughout the country congratulated and encouraged the participants in the meeting of the company commanders and political instructors of the Korean People's Army [KPA] who have actively contributed to strengthening and developing the KPA into the main force for the accomplishment of the revolutionary cause of chuche.

Working people in North and South Hamgyong Provinces, North Hwanghae Province, Nampo and Kaesong municipalities and other provinces and cities came out to places where the participants in the meeting passed by and expressed their kindred feelings and deep trust in the soldiers of the respected supreme commander.

Tens of thousands of people in Tanchon City, Pukchong County and other cities and counties of South Hamgyong Province warmly congratulated the participants in the meeting along the routes with slogan boards and bouquets in their hands. Citizens of Kaesong municipality inspired officers of the KPA, giving them party flags, flags of the republic, thousands of banners bearing the letters "Let Us Uphold General Kim Chong-il in One Mind!" and "A Match for a Hundred" and aid materials.

Meanwhile, people from all walks of life in Pyongyang asked the participants in the meeting to firmly defend the great General Kim Chong-il with arms, handing to them many silk banners inscribed with the letters "Glory to the Revolutionary Armed Forces Faithful to Our Party!" and placards for class education and aid materials.

Officials of the Sukchon County Agricultural Complex of South Pyongan Province visited the participant in the meeting at lodging houses, with silk banners, flags of the Republic, more than 3,800 letters and a lot of aid materials prepared by the people in the county.

Dialogue Praises 'Gracious' Food Supply Policy

SK2103112595 Pyongyang Radio Pyongyang in Korean to South Korea 0744 GMT 14 Mar 95

[Unattributed dialogue between Pak Yong-hui, instructor of the Food Administration Section of the Administrative and Economic Committee of the Sosong District in Pyongyang, and station reporter Chae Chae-sang: "Gracious Policy Borne by Benevolence-Oriented Politics—Food Supply System"]

[FBIS Translated Text] [Cha Chae-sang] The gracious benevolence-oriented politics of the Workers Party of Korea, which the great leader [suryongnim] founded and which the great leader [yongdoja] Comrade Kim Chong-il is leading, warmly seethes with the most superior food supply system. In this hour, we would like to discuss this.

[Pak Yong-hui] Yes. In his immortal classical work entitled "Socialism Is a Science," the great leader Comrade Kim Chong-il pointed out: All our people are free from worry about food, clothing, and housing; they endlessly acquire necessary knowledge and enjoy a long life in good health thanks to the free compulsory educational system and free medical services provided throughout their life.

In the northern part of the Republic, it is needless to say the peasants are free from worry about food; in addition, all people are free from any worry about food because of the food supply system. Food, clothing, and housing are the basis for the people's living. Among them, food is the most important to the people's survival.

Therefore, the popular masses, the creators of material wealth, ought to have the right to food. However, in South Korea or in capitalist societies, because such basic rights are infringed upon, numerous destitute people always have to worry about food, and are driven by hunger to beg for food from door to door. This is because such societies are reactionary, anti-popular societies that do not value or love people. In such societies, no matter how much the rice spoils and no matter how much rice the dog of a rich man eats, hungry and destitute people still remain in their predicament.

The desire to see all people not have to worry about food and to see them live an equal, abundant life can be realized only in a socialist society. Nobody worries about food in our-style of socialism because of the benevolence-oriented politics that endlessly loves the people.

[Cha] Then would you explain why the food supply system in the northern part of the Republic is the most superior popular policy that helps people become free from worry about food and allows them to enjoy a stable life?

[Pak] Yes. As you know, under our country's socialism, the state assumes the responsibility for taking care of the people's livelihood under the benefits of the dear comrade leader's benevolence-oriented politics. Because our food supply system has also been provided on the basis of such a principle, among other things, the state provides people with the necessary food at a very low cost, almost next to nothing.

As is already known to the world, the state buys one kilogram of rice from peasants for 82 chon [one won in North Korean currency has 100 chon], then provides the rice to the people at a price of eight chon, a mere one-tenth the purchase price. Also, in the case of corn, the state buys one kilogram of corn for 58 chon, then supplies it to the people for six chon. The state also supplies the people with other grains such as glutinous rice, beans, and red beans on the basis of such a principle. Therefore, because of this kind of grain supply, the state bears a huge amount of financial burden. This is inconceivable in South Korea or capitalist societies. This is a popular-minded policy that can be provided only by love-oriented politics that spares nothing for the people's happy and stable livelihood.

[Cha] Careful concern is being given so that everyone benefits from the food supply system, is it not?

[Pak] Of course, that is correct. With a view to helping the love of the respected and beloved Comrade Kim Chong-il reach all people, the Food Administration Section of our district's Administrative and Economic Committee is supplying food on a timely basis, fully grasping the list of food supply recipients in a wholesale manner. In recent days alone, our Sosong District Administrative and Economic Committee has obtained a list of newly born babies, helping them receive food supplies from their date of birth. Newly born babies do not directly consume food, but we provide food supplies in consideration of the mothers' (?nutrition). This single episode alone allows us to warmly feel the warm care of the dear comrade leader who endlessly loves the people.

Under such love, the northern part of the Republic supplies food to all people, except peasants who directly carry out farming and their families [sentence as heard]. A sufficient amount of food is being provided to people unable to work, for example those who cannot work because of age, disease, or physical handicaps. Therefore, in the northern half of the Republic there is neither starving people nor those who roam the streets in search of food. Of course, because food is supplied at a low cost, which is almost next to nothing, there is no household which cannot purchase food for lack of money.

[Cha] In South Korea or in capitalist societies, no matter how much rice there is, people always live amid worries and anxiety because they do not have money to buy rice, do they not?

[Pak] Yes. Even if they eat today, they have to worry about food tomorrow. In the morning, they have to worry about supper.

[Cha] I think the northern part of the Republic's food supply system is providing all kinds of convenience for the people in receiving food supplies.

[Pak] Yes. As you know, there are food supply centers in every residential section and every residential unit. Therefore, a convenient condition is provided so that people can receive food supplies near to home. In South Korea or in capitalist societies, if there is no rice in the markets, people have to roam about everywhere to buy rice; because the prices of grain rise so often, people have to worry about this. However, our food supply centers are stacked with sufficient food at all times. Because the dates for the food supply have been designated, women do not have to stand in line to receive food supplies.

Indeed, such a gracious benefit is increasing with each passing day thanks to the great care by the great leader [yongdoja] Comrade Kim Chong-il who endlessly takes care of the people's livelihood. With a view to more smoothly solving our people's food question, the dear comrade leader is energetically leading so that epoch-making progress can be achieved in the production of grain, upholding the agriculture-first policy this year, too. Under the dear comrade leader's benevolence-oriented politics, our food supply system, which is the most superior, will bear greater fruit, and our people's livelihood will be happier and greater.

[Cha] You are right. You have talked about the good points of the food supply system in the northern part of the Republic, which has been provided under the benevolence-oriented politics.

Sectors of Economy Complete First Quarter Plans

SK2103133695 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 20 Mar 95

[FBIS Translated Text] Plants and enterprises in various sectors of the people's economy, which are vigorously raising the flame of struggle to increase production by upholding the party's combatant call, have completed their first quarter targets ahead of schedule.

The working class at the Changjagang Power Plant, which has effected an upsurge in power production since the outset of the year, has completed its first quarter target 10 days ahead of schedule, upholding the party's intent implanted at the behest of the great leader and the joint editorial. They have increased power production per ton of water by properly managing water, practically carrying out the work to check and repair the power facilities to satisfactorily provide power to the various sectors of the people's economy.

In March, the August mine, which overfulfilled its January and February targets, vigorously carried out a struggle to further strengthen the productive link between the relevant sectors by operating its excavation and transport facilities at full capacity and in high spirits. As a result, as of 15 March it has proudly achieved the completion of its first quarter's plan.

Various light industry plants have effected upsurges in producing consumer goods and have completed their first quarter plans ahead of schedule. Functionaries and the working class of the Tongjaewon Clothing Plant, the Taedonggang Clothing Production Cooperative, and the Wonsan Weaving Plant have concentrated major efforts on increasing production with the existing facilities and materials by mobilizing and utilizing their internal reserves to the maximum, cherishing an iron-like faith that we will do what the party decides. As a result, they have completed their first quarter plans 40 days ahead of schedule.

Functionaries and the working class of local industrial plants, including the Kumya Soy Plant and the Kwangchon Veterans Resin Daily Necessities Plant, are thoroughly establishing an ethos to overfulfill their daily targets, bravely overcoming the difficulties and obstacles they face with their revolutionary spirit of self- reliance and fortitude, setting their combatant goals high.

Thermal Power Plant Workers Achieve 'Upsurges'

SK2103124395 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 20 Mar 95

[FBIS Translated Text] The electricity generating workers of the 16 June Thermoelectric Power Plant are achieving upsurges in production.

The electricity generating workers, who are overfilled with the burning resolution to add luster to our-style of socialism centered on the popular masses by showing success in electricity generation, are achieving success in production by more than 5 percent as compared with the corresponding period last month, operating every facility at full capacity.

The duty engineers and furnace operators of the thermal generation workshop are remarkably increasing electricity generation by increasing thermal efficiency, taking good care of the boilers and introducing a rational work method.

The operators of the turbine workshop are also achieving greater success in electricity generation, operating every facility at full capacity with the resolution to further enrich our country, our fatherland.

Meanwhile, the workers at the Kanggye Cement Plant are increasing the production of cement.

The working class there, which is increasing the production of cement by developing mines with its own strength and digging out several hundred tonnes of coal daily, is overfulfilling daily plans by 120 percent nowadays.

The functionaries of the plant, including plant manager Comrade (Kim Pyong-nok), are providing the supply of raw materials and coal on a timely basis in concert with the workers.

In particular, functionaries and workers, including Comrade (Pak Chong-sun), are providing sufficient supplies of coal needed for the production of cement by accelerating the production of coal with the firm conviction that there is nothing they cannot do once they are resolved to do it.

Yuwon Power Plant Completes First Quarter Goal

SK1903011095 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 18 Mar 95

[FBIS Translated Text] Bearing deep in their hearts the new year's congratulatory letter sent by the great leader [yongdoja] Comrade Kim Chong-il, party members and the working class of Yuwon Power Plant have vigorously carried out the struggle to increase electricity production since the beginning of the year. As of 10 March, they brilliantly overfulfilled the first quarter plan of electricity production at 166 percent. They are speeding on the road of innovation.

Reporter Choe Un from the Central Broadcasting Station reports that electricity producers of the generation workshop operate generation equipment according to technical and standard regulations and check on equipment with foresight. They are overfulfilling the daily power generation plan at 130 percent by ensuring equipment is in full operation at full capacity.

Party members and workers of the structure workshop are greatly contributing to increasing power generation through thorough maintenance of facilities, including water conductors, and measures to ensure that not a drop of water is wasted.

Increase in Number of Dwelling Houses Reported

SK1803101395 Pyongyang KCNA in English 1009 GMT 18 Mar 95

[FBIS Transcribed Text] Pyongyang, March 18 (KCNA)—Dwelling houses are being built incessantly in cities and villages of the Democratic People's Republic of Korea.

What are conspicuous among the dwelling houses under construction in the capital city of Pyongyang are two big blocks of dwelling houses which are being built behind the monument to the foundation of the Workers' Party of Korea [WPK].

Their total floor space is over 47,000 square metres.

Architects fixed the height of the two buildings as 9, 13, 17 and 25 storeys in tier style and their length as 100 metres each.

The two blocks of dwelling houses are built symmetrically with each other and a two-storeyed building for public service will take shape in the section of 60 metres between them.

The area for each flat is 116 square metres.

Together with the monument to the WPK founding now under construction they are to be completed before October 10, the anniversary of the founding of the Workers' Party of Korea.

Many dwelling houses are annually built in Korea.

Dwelling houses for one million families made their appearance in the period of the 3rd 7-Year Plan (1987-1993).

Last year, a large number of dwelling houses were built throughout the country including South Phyongan Province and North Hwanghae Province, Nampho Municipality, Hamhung city, Kangdong and Paechon Counties.

17,500 dwelling houses were built in South Phyongan Province.

Today in Korea there is not a single houseless person and the state provides dwelling houses to the working people free of charge.

Central Officials Hold 'Paektusan Prize' Contest

SK2103101695 Pyongyang KCNA in English 1012 GMT 21 Mar 95

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—The first "Paektusan Prize" sports contest of officials of central organs which opened on March 13 has closed.

Participating in the sports contest were cadres and officials of the commissions and ministries of the Administration Council and other central organs. It involved eight events including a collective race, a tug-of-war, health Taekwon-do and mass rhythmic gymnastics, basketball, volleyball and table tennis.

The participants fully demonstrated the sports skills and stubborn fighting spirit they had cultivated, true to the teachings of the great leader Comrade Kim Chong-il on actively conducting mass sports with the main stress on the physical training for national defence, and thus powerfully proved the validity and vitality of the party's policy of popularizing sports and making it part of everyday life.

'Reactionary Nature of Private Ownership' Viewed

SK2103105895 Pyongyang KCNA in English 1028 GMT 21 Mar 95

["Reactionary Nature of Private Ownership Cannot Be Concealed"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—Clamours of the imperialists about "advantages" of private ownership are aimed at introducing it into socialist countries and stifling and capitalising the socialist system, says NODONG SINMUN in a by-lined article today.

Private ownership is an anti-people ownership contradictory to the intrinsic demand and aspirations of the popular masses to live and develop independently and creatively as the masters of production and society, the article says, and continues:

Private ownership divides society into two classes—the dominating class and dominated class, leading to a class domination by a minority and a class subjugation of a majority.

According to the private ownership, those who possess means of production become the dominating class with unlimited privileges. But, the working masses become the dominated class who cannot exercise any independent right.

The ruling class, a minority of society, with means of production with state powers in their hands dominate the majority, that is, the working masses.

The reactionary nature of the private ownership is that it gives birth to exploitation and plunder and reduce the working people to slaves of capital.

The "advantages" of private ownership clamoured about by the imperialists are that it enables the exploiter class who monopolize the means of production to fill their purses with more money and wealth by bleeding the working masses white.

The imperialists and the bourgeois theorists claim that private ownership inspires "enthusiasm for labour" and "motivate" the development of productivity, spreading distorted rumours that there are no exploitation and plunder in the capitalist society. This is an artifice to cover up its reactionary nature.

Private ownership of the means of production widens the gap between the rich and the poor. This phenomenon is well illustrated by the reality of those countries in which capitalism has been revived. In the period of socialism when the means of production were public property, those countries had neither rich nor poor circles but all the members of society worked and enjoyed an economic life at stable jobs on an equal footing, under the protection and care of the state and the society. With the socialist system frustrated and the private ownership introduced, however, the gap between the rich and the poor presented itself and has been widened day by day.

Private ownership is also a root cause of social evils. In those countries where capitalism has been revived, all crimes which could not be imagined in the period of socialism are prevalent, sound reason, ethics and morality are degenerating and the society is getting rotten and weak.

This is an inevitable result of privatization.

Editorial Urges 'Conviction of Socialism'

SK2103101395 Pyongyang KCNA in English 1009 GMT 21 Mar 95

["Steadfast Conviction of Socialism Called For"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 21 (KCNA)—All party members and working people should harden the conviction of socialism and push ahead with the revolution and construction under the guidance of the party, stresses NODONG SINMUN in an editorial today.

Noting the conviction of socialism is a firm belief in the validity and invincibility of the cause of socialism led by the party and the leader as well as a steadfast will to fight it out with devotion for victory in socialism, the editorial says:

For the people going ahead under the uplifted banner of socialism the conviction of socialism is as precious as their life and soul.

Solid is the Korean people's conviction of socialism. For this, the Korean people are famous as the most revolutionary people who are resolutely defending the socialist cause.

For the party members and working people to take a firm conviction of socialism is an important requirement for making our country, our motherland more prosperous and a sure guarantee for resolutely defending the cause of socialism.

When the entire people go ahead staunchly with firm conviction of socialism, our country, our motherland will be turned more splendidly into a fortress of socialism and paradise of people and the dignity and might of our fatherland be exalted to a higher degree.

Imperialists and reactionaries are resorting to vicious moves to stifle the socialism of Korea.

When the entire people go ahead staunchly with firm confidence in the victory of socialism, nobody will dare to pounce upon them and any kind of moves of imperialists and reactionaries will be frustrated definitely.

If the party members and working people are to go ahead staunchly with firm conviction of socialism, they must be firmly convinced that the socialist cause of Korea will emerge victorious without fail, because it is led by the great leader Comrade Kim Chong-il, arm themselves more thoroughly with our party's chuche-oriented theory on socialism and display the revolutionary spirit of absoluteness and unconditionality in carrying out the line and policies of the party.

Foreign Officials Praise Korean-Style Socialism

SK2003214395 Pyongyang KCNA in English 1512 GMT 20 Mar 95

["Socialist Korea of Singlehearted Unity"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 20 (KCNA)—Foreign figures and news media express great admiration for Korean-style socialism of the singlehearted unity of the leader, the party and the people.

Luis Manuel de Araujo, director of the board the international institute of the chuche idea and chairman of the Portuguese central committee for the study of Kimilsongism, said that the realisation of the singlehearted unity of the leader, the party and the people in Korea is what has enabled socialism to be the invincible socialism which vigorously advances, fully displaying its validity and might without wavering under any stress and storm. In Korea the entire people form a harmonious whole with his excellency the great leader Kim Chong-il as the centre of unity, he said.

Mr. Joseph Machekapn, chairman of the Harare provincial committee of the Zimbabwe African National Union-Patriotic Front, said that the leader believes in and loves the people as his comrades and the people trust and follow him as their father. This natural harmony is a source of the singlehearted unity of Korea and the essence and completion of human love which humankind has so far idealised.

The Indian paper SAMACHAR POST said that Comrade Kim Chong-il has long since led the revolution and construction as the supreme leader of the party, the state and the Army of Korea and the proud looks of the Korean people are that they advance, under his leadership, not affected by world-wide violent wind.

T.B. Mukherjee, president of the Asian regional institute of the chuche idea, said that Korean-style socialism is winning victory after victory in the teeth of the frantic anti-socialist campaign of the imperialists and reactionaries.

This is because it is based on the singlehearted unity of the leader, the party and the masses, he said.

Eric Trevett, general secretary of the Central Committee of the New Communist Party of Great Britain, said that Korean-style socialism centred on the masses, the embodiment of the chuche idea, is a model for the progressive forces of all countries in the world.

Manuel Jose Antonio, minister of interior of Mozambique, said Korean-style socialism based on the singlehearted unity of the leader, the party and the masses is the centre and bulwark of socialism in the world and gives confidence and courage to the people struggling for building a new society.

Paper Calls Pyongyang 'Heartland of Revolution'

SK1803102595 Pyongyang KCNA in English 1018 GMT 18 Mar 95

["Great Feats in Changing Looks of Pyongyang, Heartland of Revolution"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 18 (KCNA)—NODONG SINMUN today carries an article headlined "great Feats in Changing Looks of Pyongyang, Heartland of Revolution," by Kang Cho-han, a secretary of the Pyongyang Municipal Committee of the Workers' Party of Korea, on the lapse of 20 years since the great leader Comrade Kim Chong-il published a famous work "Let Us Build Pyongyang, the Capital of Revolution, Into a City of People, More Magnificent and Beautiful" on March 18, 1975.

The article says Comrade Kim Chong-il's work gives a clear exposition of all the theoretical and practical questions arising in building Pyongyang into a more grandiose and wonderful city. The idea and theories laid down in the work have successfully been carried into a proud reality in the heat of revolution in architecture set forth by our party, it says.

The article goes on:

The 20 years up to this date since the publication of the work are decades when the scientific accuracy and validity of our party's chuche-oriented idea and theory of architecture have been proved glaringly and when epoch-making changes have taken place in building grand monumental edifices one after another and changing the looks of Pyongyang under the bold and ambitious plan and tested guidance of respected Comrade Kim Chong-il unfailingly loyal to the noble intention of the great leader President Kim Il-song.

The sagacity of the guidance of Comrade Kim Chong-il to change the looks of Pyongyang finds expression, firstly, in successfully having made Pyongyang the heartland of revolution where the revolutionary outlook on the leader is established.

There is a bronze statue of President Kim Il-song on Mansu Hill. Standing around it are a modern theatre and parks with large fountains which look like giving cheers. Across the River Taedong there is a large street just opposite to the centre of the grand monument on Mansu Hill. On either side of the street are the modern East Pyongyang Grand Theatre, the Central Youth Hall and high-rise apartment buildings. As a result, Pyongyang, the heartland of revolution, has turned into a wonderful city, which represents the desire of the Korean people to be always with President Kim Il-song and hold him in high esteem for all ages.

Another sagacity of Comrade Kim Chong-il's guidance also finds expression in building many modern dwelling houses, public buildings, parks and recreation grounds in a historically short period with bold and ambitious operations.

The last 20 years after the publication of the work witnessed Rakwon, Changgwang, Kwangbok, Thongil and other modern streets.

And the Grand People's Study House, the Mansudae Art Theatre, the Pyongyang Koryo Hotel, the May Day Stadium and other updated educational, cultural and health service establishments and public welfare facilities and public buildings sprang up, the Mangyongdae and Taesongsan Recreation Grounds and many other parks and recreation grounds made their appearance, the revolutionary sites were arranged with utmost care and Rungna, Chungsong and many other modern bridges and roads were built. The world-startling changes made in the building of Pyongyang are a valuable fruition of the bold and ambitious plans and tireless guidance of Comrade Kim Chong-il.

Article Urges Modeling Society on Chuche Idea

SK1703022195 Pyongyang MINJU CHOSON in Korean 19 Feb 95 p 2

[Article by Chong Song-kuk: "The Program To Model the Whole Society on the Chuche Idea Is an Immortal Banner for Ultimate Victory of Our Revolution"]

[FBIS Translated Text] This is a stirring era in which all the people are vigorously carrying on a solemn, great march to further enrich our country, our fatherland, under party leadership [yongdo], with the great joy and pride in having meaningfully marked the great leader [yongdoja] Comrade Kim Chong-il's birthday as the greatest festive day of the nation. Today, we are marking the historic 21st anniversary of the great Comrade Kim Chong-il's promulgation of the program on modeling the whole society on the chuche idea.

In his immortal, classic work published on 19 February 1974, the great leader [yongdoja] Comrade Kim Chong-il put forth the great program on imbuing the whole society with the respected and beloved leader's [suryongnim] revolutionary ideology, the chuche idea, in conformity with the matured demands of our developing revolution.

The great leader [yongdoja] Comrade Kim Chong-il has pointed out:

"The program on modeling the whole society on the chuche idea put forth by our party is a great program for communist construction which helps remodel man, society, and nature in conformity with the demands of the chuche idea, thereby helping successfully seize the ideological and material fortresses of communism and completely realize the independence of the working popular masses."

The program on modeling the whole society on the chuche idea is a great program for communist construction which helps completely realize the independence of the popular masses by regarding the immortal chuche idea as the only guiding principle; by thoroughly embodying it in all sectors of revolution and construction; and by successfully building and consummating communist society.

The great leader [yongdoja] Comrade Kim Chong-il has put forth the great program on formalizing the respected and beloved leader's [suryongnim] chuche idea with the monolithic system of the ideology, theory, and method of chuche and on dyeing the whole society as demanded by the chuche idea. This is a historic event which has unfolded the momentum for an epochal change in the development of our revolution and the implementation of humankind's independent cause.

Since the program on modeling the whole society on the chuche idea has been put forth, the respected and beloved leader's [suryongnim] revolutionary ideology has been formalized as the only scientific guiding ideology representing the present era and the communist future; under party leadership [yongdo], our people have been able to possess a mighty ideological, theoretical weapon to triumphantly advance the revolutionary cause, the socialist, communist cause, of chuche pioneered by the respected and beloved leader [suryongnim]; and our revolution has come to enter a new higher level.

The whole period from the time the program on modeling the whole society on the chuche idea was put forth, to today, has been a proud course of victory and glory, during which our people have created miracles and exploits which surprise the world people and during which they have successfully built an ideal society of mankind at the head of the times, by thoroughly remodeling all sectors in social life in conformity with the demands of chuche, while firmly adhering to the respected and beloved leader's [suryongnim] revolutionary ideology as the eternal lifeline in the implementation of the revolutionary cause of chuche under the party's seasoned leadership [yongdo].

The program on modeling the whole society on the chuche idea is an ever-victorious, militant banner which our party and people should uphold forever for the ultimate victory of the revolutionary cause of chuche, as in the past, in the future, too.

The program on modeling the whole society on the chuche idea serves as an immortal militant banner for the ultimate victory of our revolution, because it is, above all, the great program which helps defend and add luster to the eternal vitality of our-style socialist cause.

The socialist cause is the popular masses' most sacred cause which is basically distinguished from all revolutionary struggles in history. It is the cause of the leader [suryong] which is pioneered; which triumphantly marches forward; and which is ultimately consummated only under the leadership of the leader [suryong] of the working class. Accordingly, in the implementation of the socialist cause, the ideology and leadership of the leader [suryong] serve as the lifeline. History clearly shows that, even in the period of socialism's construction, during which the generations of revolution change and the socialist cause is inherited and consummated, when the ideology and leadership of the leader [suryong] is not continuously and firmly guaranteed in revolution and construction, then the socialist cause cannot escape from experiencing twists, turns, and failures. The socialist cause should firmly defend and safeguard the ideology of the leader [suryong], who has pioneered the road to revolution for the first time under all circumstances, and such a cause should be consistent in thoroughly embodying such an ideology in all fields of revolution and construction. But, there has never been a leader [yongdoja] like the one who has regarded the question of dyeing the whole society with his leader's [syryong] revolutionary ideology as the general goal of the socialist, communist construction and as the party's supreme program in the several decades year-old history of the international communist movement.

For the first time in history, because of the program on modeling the whole society on the chuche idea which was put forth by the great leader [yongdoja] Comrade Kim Chong-il, the firm truth—that the course of the socialist, communist construction is that of thoroughly embodying the leader's [suryong] revolutionary ideology in all fields of revolution and construction—has been clearly corroborated. This is a great achievement that can be made only by the great leader [yongdoja] Comrade Kim Chong-il, who personifies loyalty to the respected and beloved leader [suryongnim] at the noblest height. The program on modeling the whole society on the chuche idea put forth by the great leader [yongdoja] Comrade Kim Chong-il is a great program which has illuminated the shortcut to advancing our revolution, while regarding the great chuche idea created by the respected and beloved leader [suryongnim] as the guiding principle, and to wonderfully building socialism, communism on the basis of the chuche idea. Herein lies a comprehensive compilation of all theoretical, practical questions arising from our revolutionary practice, including the party-building, nation-building, and the building of the revolutionary Armed Forces.

As a result of being under the great Comrade Kim Chong-il's leadership, we have thoroughly accomplished the program on modeling the whole society on the chuche idea, while firmly adhering to this program as an immortal, militant banner, our revolutionary cause has been able to firmly defend its vitality as the revolutionary cause of chuche, which is embodying the ideology and leadership of the respected and beloved leader [suryongnim] in a substantive way; and we have been able to thoroughly remodel all fields in social life—politics, economy, and culture—in conformity with the demands of the chuche idea.

We should continue to uphold the program on modeling the whole society on the chuche idea as the supreme program of our party and revolution. Herein lies the firm guarantee for the eternal vitality, and the ultimate consummation, of the revolutionary cause of chuche, our style of socialist cause, which is shining along with the esteemed names of the respected and beloved leader [suryongnim] and the great Comrade Kim Chong-il.

The program on modeling the whole society on the chuche idea serves as an immortal, militant banner for the ultimate victory of our revolution. This is also because such a program is a mighty program which provides a basic guarantee to triumphantly consummating our style of socialist cause by extraordinarily increasing the might of the single-heartedness of our revolution.

Revolution is unity; and unity forms the base for revolution. Revolution can proceed only with the combined force of the popular masses; and the might of socialism is none other than the might of the unity and cohesion of the popular masses who are firmly united with one ideological will. It is, of course, important to firmly solidify the material and technical foundation to display the superiority and might of socialism. But, what is more important is to consolidate the unity of ideological will and organization.

The solidity of the unity and cohesion of the revolutionary ranks is defined by the firmness and unshakability of the core of such ranks. Mere businesslike unity or unity based on a sense of obligation cannot overcome the rigorous hardship of revolution. Such unity is like a castle built on sand. Only firm ideological unity based on the leader's [suryong] revolutionary ideology can serve as unity and cohesion with the greatest vitality. Herein lies the decisive guarantee for the victory of revolution.

The program on modeling the whole society on the chuche idea embodies the respected and beloved leader's [suryongnim] revolutionary ideology and regards this as the eternal organizational and ideological foundation of the single-heartedness of our revolution, thereby helping achieve the perfect harmony of our revolutionary ranks in which the leader [suryong] and warriors, and the leader [yongdoja] and people are inseparably linked with each other and helping such ranks serve as powerful subjects which remain unshakable under any storms and hardships. Only when we uphold the program on modeling the whole society on the chuche idea, can we firmly turn our revolutionary ranks into one unified body of ideological will, which breathes and acts only in conformity with the chuche idea, and into a crystallized body of single-hearted loyalty, which defends and safeguards the politics and ideology of the party and the leader [suryong] with life, and upholds the party and the leader [suryong] with a single-hearted mind.

Our style of socialist cause has been able to unremittingly march forward along the single road to victory without experiencing the slightest stagnation or cessation, while successfully cutting through the rigorous storms of modern history. This is because we have increased the might of the single-hearted unity of our revolution in every way, under the banner of the program on modeling the whole society on the chuche idea.

Today, as a result of the brilliant embodiment of the program on modeling the whole society on the chuche idea, the single-hearted unity of our revolutionary ranks has been consolidated as an invincible one that no political, military pressure can be applied on and no economic blockade can destroy or break. All people absolutely worship their leader [suryong] and their leader [yongdoja]. The leader [suryong], the party, and the masses are firmly united as one social, political body that shares its fate. All members of society share life and death, sorrows and joys on the basis of the comradely love and revolutionary sense of obligation. Herein lie the source of solidity and invincibility of our style of socialism, and the firm guarantee to consummate to the end our revolution, which was pioneered by the force of unity and which has marched forward triumphantly.

The program on modeling the whole society on the chuche idea serves as an immortal, militant banner for the ultimate victory of our revolution. This is also because such a program is the most scientific program, which clearly elucidates the way to successfully realize our style of socialist cause.

Socialism is an inevitable stage in the development of history; and the socialist cause is the most just cause that suits the independent aspirations and demands of the popular masses. But, this never comes of its own accord. In order to successfully accomplish the socialist cause, it is necessary to have a correct fighting program by all means. The popular masses' revolutionary struggle for socialism, communism can triumphantly advance, when a scientific fighting program—which brilliantly illuminates such a revolutionary struggle—is provided.

The program on modeling the whole society on the chuche idea is the most scientific, complete program for socialist, communist construction which clearly elucidates the strategy and struggle policy that should be consistently adhered to in the revolutionary course and process of the socialist, communist construction. Elucidated herein, in a wholesale way, are all theoretical, practical questions arising from successfully accomplishing the socialist, communist cause, including the ideology on seizing the ideological and material fortresses—two strategic goals of the socialist, communist construction; the ideology on the features of a socialist society, which has achieved a complete victory, and on advancing to a high stage of communism; and the ideology on adhering to the question of endlessly strengthening the people's power and vigorously carrying out the three-revolution movement as the general line of the socialist, communist construction. Therefore, the program on modeling the whole society on the chuche idea serves as the most correct guiding principle, which enables the world's revolutionary parties and the world's progressive people aspiring to independence, as well as our people, to build socialism and communism without deviation. The scientific and truthful nature of such a program is being corroborated more vigorously in reality.

In the previous period, because of the chuche-oriented line and the scientific strategy and tactics, our people were able to unremittingly march forward along the track of chuche without deviation and derailment, even under all kinds of rigorous hardships of history; and, even under the unusually difficult and complicated circumstances, they were able to thoroughly embody the demands of the program on modeling the whole society on the chuche idea in all domains of social life, including the remaking of nature, social transformation, and remolding of man, and to triumphantly advance the unprecedented socialist cause. Today, our style of socialism is endlessly developing on the firm basis of independence, self-reliance, and self-defense; and the people's independent and creative socialist life is being brought into full bloom. This is one of the superior features of our style of socialism; and it is the fruition of the brilliant embodiment of the program on modeling the whole society on the chuche idea.

Today, the program on modeling the whole society on the chuche idea serves as an inspirational banner which inspires a firm conviction in the justness and future of the socialist cause among our people and serves as a brilliant beacon illuminating the road to building scientific socialism to the world's progressive people. Because of this, such a program serves as an immortal, militant banner for the ultimate victory of the implementation of humankind's independent cause, as well as our revolution.

In fact, the great leader [yongdoja] Comrade Kim Chong-il has provided the militant program for the socialist cause of our era, while devoting his energy and efforts without sleep or rest, with boundless loyalty to, and firm will in the revolutionary cause of chuche, and with the outstanding wisdom of ideological will and extraordinary leadership ability that no one can emulate. This is an outstanding achievement in world history that he has made in the implementation of the popular masses' independent cause.

We should accomplish the program on modeling the whole society on the chuche idea to the end, forever in perfect harmony with Comrade Kim Chong-il, while upholding the great leader [yongdoja] Comrade Kim Chong-il as the great sun of the revolutionary cause of chuche. Herein lies the decisive guarantee for the invincibility of our style of socialist cause.

All functionaries and workers should add more luster to our country, our fatherland—which is shining with the esteemed name of the leader [yongdoja]—by loyally upholding Comrade Kim Chong-il's ideology and leadership in firm, singlehearted unity around the great Comrade Kim Chong-il as befitting the warriors of the great leader [suryongnim], while keeping deep in their hearts the slogans of conviction, such as "the great leader Comrade Kim Il-song is forever with us," and "let us more thoroughly arm ourselves with the great leader Comrade Kim Il-song's revolutionary ideology!"

Paper Warns 'Ideology Can Never Be Chained'

SK1903083395 Pyongyang KCNA in English 0831 GMT 19 Mar 95

["Ideology Can Never Be Chained"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 19 (KCNA)—The Kim Yong-sam group recently arrested 13 students of Kyonggi University who had formed an "Organisation of the Activists for Independence" and studied and disseminated the chuche idea in South Korea. This is a fascist outrage and unpardonable suppression of ideology that can be done only by the bayonet-brandishing dictators, says NODONG SINMUN in a commentary today.

The analyst further says:

It is only too natural that the South Korean students who are alive to what is fresh and new and are courageous for justice have studied and disseminated the great chuche idea, which indicates the way of hewing out their destinies; it should not be a target of bayonet-backed suppression in any case.

Even so, the Kim Yong-sam puppet clique apprehended the righteous-minded students. By doing so, they showed once again to the world that they are the fascist murderers outdistancing any of the preceding military dictators and that South Korean society is a graveyard of democracy and civil rights and an utterly closed society the like of which cannot be found in the world.

The entire nation is turning out in a grand national reunification march, determined to make the year in which falls the 50th anniversary of national liberation as well as national division a year when a breakthrough is decidedly opened for national reconciliation, unity and reunification. The study and dissemination of the chuche idea among the South Korean students and their call for collaboration with communism and the North and for reunification are a patriotic deed of the students who want to join in the grand reunification march of the fellow countrymen.

Ideology can never be chained.

No matter what fascist outrages the Kim Yong-sam group may resort to the South Korean students and people will continue to move forward under the banner of the great chuche idea and greet the dawn of independence, democracy and reunification in the long run.

Government Cadres View 'The Nation and Destiny'

SK1903082995 Pyongyang KCNA in English 0821 GMT 19 Mar 95

[FBIS Transcribed Text] Pyongyang, March 19 (KCNA)—Party and government cadres on March 18 saw part 23 of the multi-part feature film "The Nation and Destiny" which had been successfully produced as a monumental masterpiece of the times recently by the Korean Film Studio under the guidance of the party.

The film was seen by Kang Song-san, Yi Chong-ok, Kim Yong-nam, Chon Pyong-ho, Kim Chol-man, Choe Yong-nim, Hong Song-nam, Yang Hyong-sop, Hong Sok-hyong and other party and government cadres.

"The Nation and Destiny" Part 23, following part 22, impressively shows that the heroine Yim Un-chong who was subjected to all sorts of maltreatment and humiliation in Japan becomes a doctor as she hoped under the benevolent care of the DPRK and treats patients with all her sincerity and loving care and has the honor of becoming a member of the Workers' Party of Korea with testimonials of many people and her husband Yim Mu-song brings his artistic talent into full play as a conductor of the symphony orchestra.

Particularly, the great leader Comrade Kim Chong-il, informed that Yim Mu-song, an ordinary conductor, died from a long illness, sees to it that the party takes care of Yim Un-chong and her children are trained to succeed their father.

South Korea

Upcoming Reactor Talks With U.S. Discussed

SK2103111495 Seoul YONHAP in English 1107 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—South Korea and the United States are set to have strategy talks in Washington Thursday [23 March] to prepare for the U.S.-North Korea light-water reactors experts meeting slated for March 25 in Berlin.

A government source said Tuesday discussion at the Washington meeting will be centered on ways to cope with the expected refusal by North Korea to accept a South Korean model of light-water reactors.

One of the ways being talked about is to omit the "country of origin" description from South Korean-style reactors to be provided, the source said.

South Korea, however, would insist that the words "South Korean standard model" be expressly described in a reactors agreement to be signed between North Korea and the Korean Peninsula Energy Development Organization (KEDO).

The source said Seoul believes that only when a model is expressly defined in the agreement can commercial matters like the calculation of overall expenses be settled or fixed.

South Korea is also in the position that the KEDO should cope with it firmly if North Korea rejects the participation by South Korea's KEDO delegates in reactors negotiations with North Korea, the source said.

At the Washington meeting, South Korea will be represented by First Assistant Foreign Minister Yi Chae-chon and the United States by Assistant Secretary of State Winston Lord.

KEDO Deputy Executive Director Interviewed

SK2103012395 Seoul YONHAP in English 0035 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—Choe Yong-chin, deputy executive director of the Korean Peninsula Energy Development Organization (KEDO), said Tuesday that he will focus on securing South Korea's maximum interests in the process of concluding the light-water reactor supply agreement between North Korea and the KEDO.

Choe, director general of the International Economic Affairs Bureau of the Foreign Ministry, said that South Korea should naturally secure its interests since the KEDO decided to provide South Korean-style light-water reactors to the North and that the United States and Japan have agreed that South Korea should play a leading role.

In an interview with YONHAP, Choe said that he will also concentrate on neutralizing North Korea's plot to drive a wedge beween South Korea and the United States.

The KEDO was formally inaugurated on March 9 to manage the international light-water reactor supply for North Korea under the agreed framework signed in Geneva last October, and is scheduled to have a general meeting at the end of this month or early next month. Its office will be set up in New York.

Choe said that he will participate in the negotiations between the KEDO and North Korea.

"Since I will take part in the negotiations as KEDO's deputy executive director, not as a South Korean representative, North Korea will not have any reason to oppose my participation," he said.

The KEDO is expected to face difficulties in its negotiations with North Korea for the contract on the reactor supply, since North Korea is rejecting the South Korean-style light-water reactors.

U.S. Supply of Grain to DPRK Assessed

SK2103070495 Seoul TONG-A ILBO in Korean 21 Mar 95 p 5

[Article by International Department reporter Kim Kwang-won from the "Reporter's Eye" column, entitled: "Lesson From the 'North Korea-U.S. Grain Deal'"]

[FBIS Translated Text] In January 1991 North Korea asked South Korea for rice exports at very cheap prices, and after twists and turns, North and South Korea agreed to directly barter South Korea's rice with North Korea's anthracite coal and cement.

This was the first such official contact between North and South Korea in 40 years after North Korea stopped supplying electricity to South Korea and agricultural water to Yonbaek field of South Korea. Considering that this was "internal trade" and the inherent possibility that this might lead to North-South dialogue, the mass media attached great significance to the North-South agreement on direct trade and the people also expected much from the agreement.

The first 5,000-tonnes shipment of rice was scheduled to leave Mokpo port of South Korea for Najin port of North Korea. However, the departure of the shipment was delayed "at North Korea's request." The shipment was actually delivered in July. While this direct trade was discontinued due to worsening conditions and differences in views between North and South Korea, it appears that the United States played a role in bringing an end to this trade.

North-South direct trade encountered an obstacle when U.S. rice producers pressured their government to take corrective action regarding what they defined as "dumping" of ROK rice "exports" to North Korea. Even though the ROK Government categorically denied that the United States was applying pressure, this incident clearly illustrates that international relations are unsympathetic when it concerns economic interests.

KNIGHT-RIDDER FINANCIAL NEWS, an American economic news agency, reported on 15 March that a U.S. grain company, Bartlett and Co., exported 54,000 tonnes of corn to North Korea. Bartlett denies this report, and, the U.S. Commerce Department, which reportedly approved of Bartlett's sale, remains silent.

However, a Seoul source on grain deals confirmed the sale on 18 March. Soon afterward, the ROK Government acknowledged this, and even supported the United States by pointing out that the deal was for humanitarian purposes and that it was not the first ever North Korea-U.S. grain deal. The government may have been concerned that the 1991 ROK-U.S. diplomatic dispute over rice would resurface. The government even expressed concern that North Korea may use the deal as a ploy to split up ROK-U.S. relations.

A Seoul source brushed aside the "typically Korean" ROK Government's attitude and pointed out that the United States has not only long designated North Korea as a prospective foods market, but has mapped out strategies. This source stressed: "It is way past the time for the government to still be talking about the deal's humanitarian purposes or about North Korea's using it as a ploy."

He pointed out that we must realize from the North Korea-U.S. deal that we need to find ways for North-South direct trade to be accepted as internal trade, as soon as possible.

U.S. Cites Humanitarian Purposes

SK2103021795 Seoul YONHAP in English 0137 GMT 21 Mar 95

[FBIS Transcribed Text] Washington, March 21 (YONHAP)—The U.S. State Department said Monday that it has recommended American grain exports to North Korea for humanitarian purposes that are consistent with its long-standing sanctions policy and commerce regulations.

Referring to the reported export of U.S. corn to North Korea, a State Department official said all indications are that North Korea has "serious humanitarian requirements" for food assistance.

The State Department has not formally confirmed whether or not the Commerce Department approved an export license submitted by a U.S. exporter for the sale of some 54,000 tons of corn to North Korea. But it indicated the U.S. Government has been allowing grain exports to North Korea by saying "food shortage in North Korea has humanitarian requirements."

The official stated that the licenses for the U.S. grain exports are issued by the Commerce Department and such licenses generally contain proprietary information which is protected by the law.

He maintained that the State Department reviews license requests submitted to the Commerce Department by U.S. exporters, explaining that "we have recommended the issuance of such licenses for the commercial sale of grain to North Korea for humanitarian purposes only."

Last week, an American Economic News Agency, KNIGHT-RIDDER, reported that a U.S. exporter, Bartlett and Co., had sold 54,000 tons of U.S. corn to North Korea and the grain vessel set sail from a pier in Seattle, Washington.

North Said To Own 1,000 Tons of Chemical Weapons

SK2103122095 Seoul YONHAP in English 1144 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—North Korea has stockpiled about 1,000 tons of chemical weapons including those of sarin, the fatally toxic chemical that was used in the Tokyo subway gas attack Monday morning.

A source at the Defense Ministry said Tuesday [21 March] North Korea has 13 kinds of chemical weapons such as nerve, blister, suffocation, blood and tear gases totaling 1,000 tons in all.

North Korea, he said, is capable of producing 4,500 tons of chemical weapons a year in peace time and 12,000 tons in war. It has eight chemical plants able to turn out chemical weapons.

A large portion of the North Korean chemical weapons in storage are those of sarin which was first developed by Germany during World War II, according to the source.

He said North Korea first introduced sarin from the Soviet Union in the 1950s and later built its own chemical weapons plants with assistance from the USSR.

"North Korea is now the world's third largest chemical weapons possessor," the source added.

Tokyo 'Toxic Gas Attacks' Prompt Precautions

SK2103073595 Seoul YONHAP in English 0646 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—The government took precautions on Tuesday [21 March] against possible terrorist attacks, worrying that such activities as the toxic gas attacks in Tokyo might be delivered here as well.

The government decided to strengthen police patrol in and out of mass transit facilities, especially in subway and railway stations and trains, and public places like department stores and movie theatres, officials said.

Under a program worked out by the Home Ministry, the government will also take safety measures in major industrial complexes and businesses dealing with toxic materials, and more strictly control the production and circulation of chemical toxic materials.

In Tokyo, seven people were killed and more than 3,000 others were injured when a toxic gas spread through subway trains at rush hour Monday morning.

To effectively cope with possible toxic gas terrorist attacks here, the Home Ministry will prepare measures to protect the people, while the Defense Ministry will provide chemical specialists to the gas accidents in case of emergency.

The Health and Welfare Ministry will be in charge of the hospitalization for poisoned patients, including treatment and accommodation and the Environment Ministry will be responsible for detecting toxic gas, according to the officials.

The Health and Welfare Ministry will cooperate with the Defense Ministry to secure antidotes at each subway station and crowded facility. The government will also conduct publicity campaigns to inform the people about emergency measures.

The government also decided to provide Chemical, Biological and Radiological (CBR) training across the country in the civil drill next month.

Seoul Subway Heightens Security

SK2103023695 Seoul YONHAP in English 0207 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—Seoul Metropolitan Subway Corp. instructed its staff Tuesday to strengthen patrols in and around every subway station, as well as make emergency checks against such terrorist activities as the toxic gas attacks in Tokyo Monday.

About 3,500 corporation staff and security guards conducted emergency checks within subway stations on Tuesday morning.

Corporation President Kim Chin-ho said, "From today, we decided to ask passengers by subway broadcasting to report suspicious individuals or groups or anything out of the ordinary immediately to station offices."

The corporation held a board of directors meeting and decided to fully operate a team to take measures against emergency situations.

'Observer': Kim Chong-il To Assume Power 10 Oct

SK2103113395 Seoul YONHAP in English 1117 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—North Korea's Kim Chong-il is expected to assume the duty of General Secretary of the Workers' (Communist) Party on Oct. 10 this year, the 50th anniversary of the party, a North Korea watcher observed here recently.

In an article appearing in the April issue of the monthly "MAL," Ms. Mun Myong-cha, who visited Pyongyang last Feb. 7-21, said she drew the conclusion based on her talks with a number of senior North Korean officials in Pyongyang.

Mun is a Korea-born journalist active in the United States, who is known close to the North Korean leadership.

On the controversial issue of light-water reactors, Mun said that Kim Chong-u, the North's senior delegate to the U.S.-North Korea reactors experts meeting, expressed serious concern about the safety of a South Korean model.

"North Korea prefers a U.S.-made reactor, especially the model of Westinghouse Electric Corp.," she said.

Mun said Kim Yong-sun, a Workers' Party secretary, told her that the stalled South-North dialogue can be resumed only when at least one of the four conditions the North demands is met.

The four are an apology over the "thing committed" by President Kim Yong-sam: repatriation to the North of the three long-term prisoners who remain loyal to the north: release of those imprisoned for voicing condolences over Kim Il-song's death: and the repeal of the National Security Law.

Last August, Mun observed Kim Chong-il would formally rise to full power after at least one full-year's mourning for his deceased father.

Kong on Need To Act in 'International' Manner

SK2103083695 Seoul YONHAP in English 0830 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—Foreign Minister Kong No-myong urged his fellow countrymen to think and act in manners commonly used in the international community so they would not face isolation and retardation in the rapidly globalizing world community.

Speaking to a meeting of the Korea-America Friendship Society, a group of over 200 scholars, politicians, businessmen and social dignitaries who wish to informally promote friendly relations with the United States, the foreign minister stressed the need to strengthen the country's political, economic, cultural and social competitiveness.

"Interdependence and boundless competition are the two poles which buttress current international relations," said Kong.

He, therefore, stressed that it will be difficult for the country to strengthen its competitiveness without international cooperation and vice versa.

Kong was delivering a speech under the theme of "Korea-U.S. Relations From the Perspective of Globalization."

Predicting that the new international order toward the 21st century will be dominated by complementary roles played by a variety of countries, Kong said that the "creative and mature" partnership between South Korea and the United States will be an important ground for the establishment of the new order in Northeast Asia in the post-Cold War era.

Although the Clinton administration announced its engagement and enlargement policy to actively involve itself in the Asia-Pacific region, the relatively weakened economic power of the United States will probably affect future relations between the two countries, the foreign minister said.

South Korea meanwhile emerged as the world's 12th largest trading country and also as the seventh biggest trading partner with the United States, said Kong.

He reminded that the country's trade with the United States grew 160 times to 42 billion dollars last year from 250 million dollars when the country first started its export drive policy in the early 1960s.

The foreign minister also said that the country will have to assume due responsibility for the defense of the country as an immediate party to the Korean armistice treaty, noting that the country took over the peacetime operational control of the South Korean military forces last year.

Council Decides Army To Participate in UN PKO

SK2103033895 Seoul YONHAP in English 0244 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—The cabinet council meeting of the government decided Tuesday for the South Korean Army to participate in the UN peacekeeping standby arrangements in an effort to contribute to maintaining world's peace as a UN member country.

The cabinet meeting, chaired by Prime Minister Yi Hong-ku, resolved that the Army's participation in the Peacekeeping Operations [PKO] of the world body will be comprised of a 540-man infantry battalion, 130-man heavy construction engineering company and 70 to 80 troops of a medical support group.

Kim Chol-su Withdraws WTO Director Candidacy

SK2103093995 Seoul YONHAP in English 0920 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 22 (YONHAP)—South Korea decided to accept the post of deputy director general of the World Trade Organization (WTO) in return for withdrawing Trade Ambassador Kim Chol-su's candidacy for the post of director general of the organization, Foreign Ministry Spokesman Yu Kwang-sok said Wednesday [as received].

Renato Ruggiero of Italy will, therefore, become the first director general of the WTO, and South Korea's Kim will be his deputy along with the incumbent three deputy director generals, Yu observed.

The spokesman said that the country decided to support Ruggiero as first WTO director general to help break the deadlock in talks over the election of the WTO chief which could hamper a smooth launching of the organization.

He added that Kim will be the highest post holder in international organizations among South Korean nationals.

Expressing thanks to foreign countries which have supported Kim in the race for the WTO post, Yu expected the compromise formula, agreed on among South Korea, the United States and the European Union, to be endorsed in WTO meetings to be held in a few days.

He said the breakthrough was made early Tuesday morning when Foreign Minister Kong No-myong and U.S. Trade Representative Mickey Kantor talked over telephone.

Coal Payment Considered for PRC Construction

SK2103003695 Seoul YONHAP in English 2356 GMT 20 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—The Korea Electric Power Corporation (KEPCO) is studying ways to receive coal in return for constructing an atomic power plant in China.

KEPCO President Yi Chong-hun disclosed Monday that the corporation is affirmatively studying a Chinese proposal for coal, used for power generation, to be substituted as a payment for the construction of an atomic power plant, which is being promoted in Shandong Province.

A power plant based on a South Korean-model atomic reactor can be built in Shandong Province as early as by the year 2005, Yi said.

KEPCO has recently exchanged a letter of agreement with a Chinese agency regarding a feasibility study on atomic power plant construction.

'Think Tank' KIEP Opens Office in Beijing

SK2103120995 Seoul YONHAP in English 1120 GMT 21 Mar 95

[FBIS Transcribed Text] Beijing, March 21 (YONHAP)—The Korea Institute for International Economy Policy (KIEP), a leading South Korean public think tank, opened an office here in Beijing Tuesday [21 March].

The KIEP is the first foreign social sciences institute ever allowed by the Chinese Government to have an office in the capital city.

A tape-cutting opening ceremony of the KIEP office, located at the Beijing Asian Games Village, was attended by about 60 Korean and Chinese well-wishers.

Among those on hand were Korean Ambassador to China Hwang Pyong-tae, KIEP Director Yu Chang-hui, Chinese Vice State Planning Commission Minister She Jianming, Chinese Development Research Center Director-General Sun Shangqing, and Vice President of Chinese Academy of Social Sciences Teng Teng.

Kohap Begins Joint Siberian Plantation Project

SK2103083995 Seoul YONHAP in English 0753 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—South Korea's Kohap Business Group has initialed an agreement Tuesday [21 March] at its head office here for a joint-venture crop and animal farming project in the Maritime Province of Siberia, Russia.

Under the pact, Kohap and Russian landowners will set up a joint-venture agronomy company on a 50-50 basis, explained a Kohap spokesman, adding the former will supply finance, while the latter will put in manpower, farmland and farming machines.

The South Korean business group will pour 2 million U.S. dollars in 2,000 hectares of arable land in the first phase of the project this year to crop 80,000 tons each of wheat and beans. The investment will total 12 million dollars and the farmland 43,000 hectares by 1999, the spokesman said.

Kim Han-kon, former vice agriculture-forestry-fisheries minister, is advising the group on the new project.

Attending the Tuesday signing ceremony were Kim, Ivanenko Ivanovich, chief of the Agriculture Board of Siberia, Kougduk Vasilyevich and Pavliouk Vladimirovich, chiefs of state farms, and Georgiy Toloraya [spelling of Russian names as received], deputy Russian ambassador to Seoul.

Seoul, Indonesia To Revitalize Military Exchange

SK2103084195 Seoul YONHAP in English 0832 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—The Defense Ministry said Tuesday [21 March] that South Korea and Indonesia agreed to revitalize a bilateral exchange of their special warfare commands (SWC).

Under the agreement, commander-in-chief of the Indonesian Special Warfare Command is scheduled to visit here in the second half of the year, according to the ministry.

The two nations will also exchange their 13-member special warfare units for training in the other country, and the Indonesian SWC will send its Taekwondo and Judo teams here for military arts training, the ministry said.

President Kim Addresses Christian Prayer Meeting

SK2103020895 Seoul YONHAP in English 0109 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—President Kim Yong-sam called for a spiritual or moral revolution to make the globalization dream come true in a speech at a Christian prayer meeting held at the Hilton Hotel Tuesday morning.

Globalization is not merely a catchword but a task for the nation to ride the rapid wave of history in order not to be left behind other nations of the world, he stressed.

"To survive fierce competition, we must increase economic competitiveness, further develop democracy and restore and advance our morality and spirit as citizens," he remarked.

He then called on the Christians to build a powerful morality supporting society and bear the brunt of the responsibility of developing society in a just and right direction.

Touching on the coming local elections, the chief executive said the Christians should pray for the election of people armed with the spirit of justice and service.

Attending the prayer meeting were some 1,500 Christian and civic leaders, including Rep. Pak Se-chik, Culture and Sports Minister Chu Ton-sik, Daewoo Group Chairman Kim U-chung and U.S. Ambassador James Laney.

Premier Remarks on Ensuring Fair Local Elections

SK2103023795 Seoul YONHAP in English 0214 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—In efforts to ensure that the June 27 local elections wil be clean and fair, the administration is seeing to it that no public servants and civil organizations can meddle in the elections illegally.

Prime Minister Yi Hong-ku, presiding over a meeting of concerned ministers Tuesday morning, instructed, "First of all, public servants and civil organizations should be forced to refrain from committing acts that leave room for the appearance of election meddling."

Yi called on the ministers to take effective steps for keeping labor organizations, including the Korea Federation of Trade Unions, from participating in the elections in an organized and illegal manner.

Yi also called for "reinforced surveillance activities to prevent irregularities arising from collaborations between local public servants and men of influence and from a lapse in social discipline."

With regard to a possible administrative snag in the course of the local elections, Home Minister Kim Yong-tae told the meeting that vacant seats created by senior public servants resigning to run in the elections will be filled by the month's end so as not to permit an administrative vacuum.

"Violations of the green belt and illegal construction of buildings, which are feared during the election period, will be firmly cracked down," Kim added.

Pak Chan-chong Holds News Conference 20 Mar

SK2103023095 Seoul THE KOREA TIMES in English 21 Mar 95 p 2

[FBIS Transcribed Text] Rep. Pak Chan-chong formally announced that he is a candidate for the Seoul mayoral election slated for June 27, amid reports that negotiations are under way between himself and the ruling Democratic Liberal Party [DLP] on his joining the party.

The maverick five-term lawmaker strongly hinted that he might join the ruling party in his capacity as the candidate for the Seoul mayoral election.

"I am ready to form a united front with any political party which supports my ideas for, and belief in a people's livelihood-oriented local autonomy," he said in a press conference at his office in central Seoul yesterday.

Asked for a further explanation, Pak, 54, said, "I will not voluntarily walk into a specific party only for the sake of securing a victory in the forthcoming election."

"However," he went on, "I will not refuse to sit down with political leaders to discuss ways of effectively reforming the Seoul city administration and of making local self-rule successfully take root in the nation."

In what sounded like a voice similar to assertion made by ruling party officials in connection with local self-rule, Pak said, "Frankly speaking, local elections and local autonomy should be free from political strife as is seen in the nation's central politics.

"I came to this conclusion after looking around several Japanese cities which have been successful in implementing local self-rule in accordance with 'rule by people,'" Pak said.

Then he went a step further to raise his objection to the main opposition Democratic Party's [DP] move to take up a "mid-term appraisal of the Kim Yong-sam administration" as a major campaign slogan in the forthcoming local elections."

He said, "The DP may think it necessary to take such a strategy. But I think that the adoption of such a simple yardstick will only make local autonomy remain a prolongation of strife-ridden central politics."

The possibility of his joining the ruling DLP has been attracting keen attention from the political circle because his move is likely to affect the results of the election.

He denied reports that he had met with President Kim Yong-sam or his aides to discuss his joining the ruling party. "I have not met with President Kim nor received suggestions from the ruling party," Pak said, adding that he would make public any talks with the President, if he has any meeting.

Though he belongs to a tiny group, New Democratic Party, Pak enjoys high popularity as one of the most promising candidates for both the Seoul mayoral election and the 1997 presidential election.

Running on his own in the December, 1992 presidential election, Rep. Pak garnered more than 1.5 million votes, or 6 percent of the total votes cast, disproving the allegation that his popularity is nothing but "bubble" one.

According to popularity polls conducted by survey groups and vernacular dailies in a reference to the Seoul mayoral and presidential elections, Rep. Pak topped the list of candidates, though the rate of his popularity has dropped to a certain extent in recent months after he was reported to have mobilized street hoodlums to take over the leadership of the splinter party at a party convention last year.

Asked whether or not he will run in the 1997 presidential election if he is elected Seoul mayor, Rep. Pak said, "I will never because too many important tasks will require me to be preoccupied with the Seoul mayorship."

Lawmaker Chong Mong-chun Gets Suspended Sentence

SK2103074195 Seoul YONHAP in English 0628 GMT 21 Mar 95

[FBIS Transcribed Text] Seoul, March 21 (YONHAP)—Rep. Chong Mong-chun (Ind.) got a suspended six-month imprisonment on charges of harboring culprits in the final hearing Tuesday [21 March] at the Seoul District Criminal Court of a bugging case involving him and three others.

With the court's probation decision, Rep. Chong is not deprived of his parliament membership under the new election law which states that parliamentarians will be deprived of their seats when they are sentenced to imprisonment on a criminal charge.

Chong was suspected of giving 20 million won in hiding funds to three people who eavesdropped on a meeting of ruling Democratic Liberal Party Presidential Candidate Kim Yong-sam's supporters at a restaurant in Pusan in December 1992 during the presidential election campaign period.

The three—Kim Nam-sok, 45, former official of the Agency for National Security Planning's Pusan Office, Mun Chong-yol, 44, former member of the Pusan Campaign Office of opposition presidential candidate Chong Chu-yong whom Rep. Chong supported, and An Chong-yun, 45—were each sentenced to eight months in prison with a two-year stay of execution on charges of intrusion and eavesdropping.

Rep. Chong said he would appeal to a higher court for a reexamination of the case, noting that his acceptance of the suspended sentence would mean an admission of his guilt.

Central Bank Assesses Financial Situation

SK2103022195 Seoul THE KOREA TIMES in English 21 Mar 95 p 9

[FBIS Transcribed Text] Market interest rates are showing stability at the moment as the latest financial crunch has eased.

According to the Bank of Korea yesterday, the yield on three-year bank-guaranteed corporate bonds plunged to around 14 percent yesterday, the lowest level in two months.

Along with the fall in long-term interest rates, short-term interest rates have been taking a plunge, shedding light on the lackluster stock market.

Three-year bank-guaranteed corporate bonds were traded at 14.95 percent during the morning session yesterday, down 0.05 percentage points from Saturday. This is the first time that the bond yield has plunged below 15 percent since Jan. 12

The bond yield passed 15 percent Jan. 13 as the credit crunch worsened. Until early March, the bond yield was pushing 15.5 percent.

Market analysts said the falling trend may accelerate in the days to come.

The yield on 91-day certificates of deposit (CDs) is also about to plummet below 15 percent, indicating a falling movement in market-driven interest rates as a whole.

Overnight call rates have also tumbled to around 11 percent recently in a sharp contrast with the high interest rates witnessed in late February.

The central bank said corporate fund demand has eased somewhat as the government warned of the overheating of the economy.

The fact that M2 growth has remained below the government-set target rate of 18 percent since early March has contributed to people's present ease about market conditions, a central bank official said.

Analysts said the stock market will emerge to attract capital in circulation which will massively flow out of the money market in search of higher capital gains.

Both companies and financial institutions suffered acute fund shortages in January and February as preemptive demand for funds prevailed.

As a result, market interest rates soared significantly to the point where companies were urging the government to take measures to rein in the soaring rates.

FTC on Plans To Investigate Hyundai, Daewoo

SK2103023595 Seoul THE KOREA TIMES in English 21 Mar 95 p 8

[FBIS Transcribed Text] The Fair Trade Commission [FTC] said yesterday it will launch investigations of Hyundai and Daewoo to check whether or not they followed the fair trade watchdog's order to correct their wrongful internal trading practices detected last September.

This is the second time that the FTC has initiated investigations of big business groups since the beginning of the year. Sunkyong was the first conglomerate which was checked by the FTC.

Chong Chae-yong, a director of the FTC, said yesterday that the investigation into the two conglomerates is part of its plan to investigate eight big business groups which were detected frequently engaging in irregular internal trading last year.

"The FTC will dispatch four investigation teams comprising 30 inspectors to subsidiaries of the two groups today for a 12-day investigation. The investigation is aimed at checking whether they stopped the unfair internal trading they were conducting last year," Chong said.

The FTC will investigate Inchon Iron and Steel, Hyundai Electronics and Industry, Hyundai Elevator Co. of the Hyundai group and Daewoo Motor and Orion Electric of the Daewoo Group.

According to the FTC, the three subsidiaries affiliated with the Hyundai Group were ordered to correct 31 unfair internal trading practices in September, 1994. Daewoo's subsidiaries were detected to have violated FTC rules in 13 cases last year.

Chong made it clear that the FTC will also investigate the remaining five conglomerates which were found to have habitually violated the FTC's fair trade rules.

The other five groups the FTC said it will investigate again this year are Samsung, Hyosong, Miwon, Tongkuk Steel & Mill, and Kumho.

The internal trading ratios were 32.8 percent at Daewoo, 28.1 percent at Sunkyong, 24.6 percent at Hyundai, 16 percent at Samsung, 15.2 percent at Tongkuk Steel and Mill, 13.9 percent at Hyosong, and below 10 percent at both Miwon and Kumho, the FTC said.

Early this month, the FTC brought legal action against Yukong Ltd. for its failure to rectify its irregular internal trading, ending a two-week long investigation into the group that started in February.

Since the announcement of the results of the FTC's investigation into Sunkyong, the business community has regarded the FTC's probes as an indication that the government is trying to stay on good terms with conglomerates ahead of the elections for local autonomy bodies in June.

This time, business concerns expect that the government's investigation of the chaebol will not be harsh, given its rather perfunctory checking of Sunkyong.

In particular, as was seen in the government's recent Leniency with the Hyundai Group, which had had a thorny relationship with the Kim Yong-sam administration, the FTC's investigation of Hyundai is also unlikely to be tough, business concerns said.

FTC officials said the investigation will focus on checking whether they discriminated against unrelated non-subsidiary companies in favor of their sister firms.

Cambodia

Sihanouk Going to Beijing for Medical Checkup

BK2003163095 Phnom Penh National Radio of Cambodia Network in Cambodian 0300 GMT 20 Mar 95

["Message to his beloved countrymen" issued by King Sihanouk in Phnom Penh on 20 March—recorded]

[FBIS Translated Text] I would like to pay my humble respects to the two most venerated and beloved supreme patriarchs, to all most venarated and beloved samdech monks, to all most venerated and beloved Buddhist monks; to all my respected and beloved countrymen.

Today I have the honor to give you the following news:

I. At this Teveavinichhai Palace, I will hold a ceremony in accordance with our Buddhist tradition to pay tribute to the good services rendered to the throne and to King Norodom Sihanouk by those who perished after the 18 March 1970 coup d'etat and later on during the time of the Khmer Republic and the time of the Khmer Rouge, of Mr. Pol Pot, and during subsequent wars and fighting. Many good people have sacrificed their lives, and I will never forget the services that all venerable monks, the members of the royal family, and all my children—men and women, young and old alike—have rendered at the cost of their lives during those times. Among those who have served the religion, the throne, and the king, those who have defended justice and have rendred justice to King Norodom Sihanouk, many have already perished.

For this reason, Samdech Mongkoltepeacha and four other senior monks, the abbots from four monasteries, came to Teveavinichhai palace where they were given various offerings by me and my wife. The venerable monks most graciously prayed for the souls of the dead benefactors, wishing they would be freed from all bad karma and they would go to the land of bliss where they will experience nothing but happiness, joy, and pleasure and, later on, straight to heaven and nirvana. That, in essence, is the objective of our religious ceremony today.

I will never forget the good services rendered by all my countrymen. Among those who have given me justice, many are still alive, and I take this opportunity to bless them and thank them, especially those in the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party, those in the People's Party, and our venerated monks who supported me in the time of Sangkum Reas Niyum and who are still alive and will remain alive for a long time to continue giving us support protection. I thank all my countrymen at all levels who have made all kinds of sacrifice in their capacity as patriots and who have rendered justice to the nation, the throne, and King Norodom Sihanouk. Among these children, I cite Samdech Hun Sen and his wife, who were still students when they took to the maquis to fight for their belief in serving the motherland and restoring justice to Sangkum Reas Niyum and King Norodom Sihanouk.

II. Today I have the duty to inform you that according to the results of the blood tests that I have taken in 1995 every month and every week, the doctors have been concerned that my health which at first appeared excellent in the first few tests has deteriorated in subsequent ones. Maybe something is amiss, for the results have not been good in the past few days. For this reason, my Cambodian, French, and Chinese doctors after consulting with one another concluded that King Norodom Sihanouk should urgently go to the hospital in Beijing where he will be thoroughly reexamined by his doctors to see what really ails him, what has caused the recurring bad health, whether the cancer has returned, and to clearly see how the arteriosclerosis and other illnesses are faring now, so they can treat them as they have done before to prolong the king's life and allow him to serve the Cambodian nation, Buddhism, and his countrymen a little longer.

So I ask you, venerable, excellencies, mesdames, and countrymen to allow King Norodom Sihanouk and his wife, Queen Monineath, to take a short leave of absence from Cambodia and go to the Beijing hospital for a medical checkup. After the checkup, even if it is found that he needs urgent treatment, the king will brave all to return home to be with you during our traditional new year and also to attend the congress of Buddhist monks. I will be away for just two weeks, no more than 15 days, and I will be back in our beloved Cambodian motherland. All children and grandchildren are thereby informed. I hope that I will be with you again in April. After April, in May I will ask you permission to return to Beijing to continue medical treatment. Anyway, I will do my best to return to the motherland and visit you as frequently as possible to carry on my duty of defending and supporting our nation, motherland, religion, and countrymen.

Thank you very much.

Communique on Ing Huot's Visit to Thailand

BK1903135495 Phnom Penh National Radio of Cambodia Network in Cambodian 0500 GMT 19 Mar 95

["Press Communique" issued by the Cambodian Foreign Ministry in Phnom Penh on 18 March]

[FBIS Translated Text] His Excellency [H.E.] Ing Huot, minister of foreign affairs and international cooperation of the Kingdom of Cambodia, will lead a five-member delegation to pay an official visit of friendship to the Kingdom of Thailand on 21 March at the invitation of his Thai counterpart, H.E. Krasae Chanawong.

The purpose of the visit is to reinforce the traditional fine relationship between the two neighboring countries and to promote the bilateral cooperation in the fields of health, rural development, agriculture, and technical training.

It is expected that Cambodia will reach an investment protection and improvement agreement with Thailand.

This is aimed at attracting Thai investors and encouraging the 244 Thai companies currently doing businesses in Cambodia.

Convening the first meeting of the Joint Commission on economic, cultural, scientific, and technical cooperation is also part of the talks between H.E. Ing Huot and H.E. Krasae Chanawong.

In Bangkok, H.E. Ing Huot is also scheduled to pay a courtesy visit to Thai Prime Minister H.E. Chuan Likphai.

Rebel Radio Reports Successes in Battambang

BK2003160295 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 20 Mar 95

[FBIS Translated Excerpt] On the morning of 16 March, the two-headed government mobilized troops to launch operations on Sisophon-poipet [Battambang Province] battlefield in three columns. In the first column, 600 enemy troops escorted by four tanks from Kouk Thom were heading toward Boeng Prama and (Pheah Khluon). In the second column, 100 enemy troops from Kut Ta Sot and Yi Ot escorted by two tanks were heading toward Ta Kong. In the third column, 200 enemy soldiers from Yeang and Nimit were heading toward Nong Ian.

The result of the 16-18 March battles is as follows:

1. On the Ta Kong-Nong Ian front, we killed or wounded 60 enemy soldiers. Among those killed were a commander of the 12th Division—Major General Em Saray—a commander of the 35th regiment of the 12th Division, and two colonel-grade officers. We destroyed two T-54 tanks, three military trucks, and a large quantity of weapons, ammunition, and war materiel.

2. On 18 March, our national army on the Boeng Prama and (Pheah Khluon) front totally routed and wiped out the invading forces on this front. As a result, we killed 27 enemy soldiers, wounded seven others, and set ablaze a military truck in an area between Kouk Thom and (Pheah Khluon).

In sum, we killed or wounded 94 enemy soldiers and destroyed two tanks and four military trucks. Among the enemies killed were a major general, a brigadier general, and two colonel-grade officers. [passage omitted]

Sihanouk Calls for Rebels To Stop Fighting

BK2003155995 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 20 Mar 95

[FBIS Translated Text] His majesty the king has said: We are now in the process of elevating the image of a Cambodia endowed with brilliant civilization and culture as well as full independence and territorial integrity after we have suffered the disastrous aftermath of the 18 March 1970 coup d'etat and endured the most terrible conditions when Pol Pot was in power.

The king stated this to the officials and villagers at Roka Khpuos commune in S'ang District of Kandal Province where he inaugurated the main chapel and a school building at the (Rattanak Chuong Meas) monastery on the morning of 20 March.

His majesty expressed indignation at the recent Khmer Rouge harmful activities in Battambang, Siem Reap, and Preah Vihear Provinces and other regions, making the poor people's living conditions further deteriorate. He said he could not understand what the goal of the Khmer Rouge's revolution is. Somehow, the group's current actions, he added, will only undermine its influence.

The king further sadly said: I wish to beg the Khmer Rouge to stop fighting and resorting to violence; they are asked to return and join the national community as a rightful citizen. We will forgive them since we are all Buddhists.

Laos

SRV National Assembly Group Pays Visit

BK1903095895 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 17 Mar 95

[FBIS Translated Text] The Lao National Assembly [LNA] delegation headed by Phou Latsaphon, chief of the LNA Cultural and Social Affairs Commission, and the SRV National Assembly delegation headed by Professor Dr. Madame Tran Thi Tam Dan, chairwoman of the Cultural, Educational, Youth, and Children Committee of the SRV National Assembly, held talks at the National Assembly hall on 17 March. During the talks, the two sides informed each other of their past activities, exchanged lessons and views, and discussed future cooperation between the two sides.

The delegation of the Cultural and Social Affairs Commission of SRV National Assembly arrived in Vientiane at noon on the same day for an eight-day visit to Laos.

Defense Minister Returns From Cambodia Visit

BK1903093295 Vientiane KPL in English 0951 GMT 18 Mar 95

[FBIS Transcribed Text] Vientiane, March 18 (KPL) A high-level military delegation from Laos led by Lt. Gen. Choummali Sai-gnason, defence minister, returned here on March 16 following the close of a four-day friendly visit to the Kingdom of Cambodia.

While in Cambodia, the Lao delegation received a warm welcome from the Cambodian Government. On the last day of the visit, the Lao delegation, accompanied by Gen. Tie Banh, paid a courtesy call on His Majesty Prince Norodom Sihanouk Vorman, the King of Cambodia at the Royal Palace.

Lt. Gen. Choummali Sai-gnason summarized for his majesty the results of the visit to Cambodia and expressed thanks to the Ministry of Defence, the army and the people of Cambodia for their cordial welcome. On this occassion the Lao defence minister conveyed cordial greetings from the Lao president, Nouhak Phoumsavan to their majesties the king and queen.

In return, the king expressed his congratulations to the close-fitting ties between the two armies and Lao and Cambodian people. He also referred to the strong traditional relationships between the two nations pointing our his own close friendship with a number of the Lao leaders. The king expressed his hope that these mutually beneficial relationships will continue in the future and sent his greetings to the Lao president.

Prior to their 10:30 a.m. departure, the Lao delegation signed a memorandum on the outcome of its discussions with the high-level military delegation of the Kingdom of Cambodia. The signatory to the document for Laos was Col. Si Inthavong, chief of the Foreign Relations Department of the Lao Defence Ministry. Signing for the Cambodians was Brigadier General Lay Bunsong, chief of the Foreign Relations Department.

An official farewell ceremony was held at the government guest house, Chamka Mon, with a presentation led by Gen. Tea Chamrat, a number of high-ranking officers, and three Cambodian troops of honour.

Foreign Minister Returns From Copenhagen

BK1703155695 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 16 Mar 95

[FBIS Translated Excerpt] The delegation of the Lao People's Democratic Republic [LPDR] headed by Foreign Affairs Somsavat Lengsavat arrived back in Vientiane on the evening of 15 March after attending the World Conference on Social Development held in Copenhagen, Denmark, from 6 to 12 March with participation of the delegations from more than 70 countries. [passage omitted]

Thailand

Impact of Failed Tax Treaty With U.S. Viewed

BK1903095595 Bangkok BUSINESS DAY in English 18-19 Mar 95 p F1

[FBIS Transcribed Text] The failure of the United States to seal a tax treaty with Thailand is stopping US companies from taking advantage of BOI [Board of Investment] tax incentives.

A leading incentive provided by the BOI is exemption from corporate income taxes for up to eight years.

US law provides credit for taxes but not for BOI exemptions. Hence, American companies do not benefit from the tax exemptions because they must pay the tax to the US instead of Thailand.

The firms are able to defer the tax by reinvesting funds in Thailand or other countries, but tax is due when they bring the money back to the US.

At Soithong, a promotion officer at the BOI, said the diminished tax incentive made BOI promotion less valuable to US companies.

Under treaties negotiated with countries such as the United Kingdom, companies that receive these BOI tax incentives receive tax credits in their home countries.

The US is one of the few major trading partners that has no tax treaty with Thailand.

By value, only 8 percent of projects promoted by the BOI in 1994 were American, according to figures provided by Mr At. The figure was 12 percent in 1993 and 7 percent in 1992.

A ministry of finance official said that treaty talks, which have dragged on for years, were "deadlocked". The primary issue, he said, is that Thailand wants to maintain a basic tax rate of 15 percent while the US wants to reduce the rate to 10 percent. The US is also demanding more exchange of information than the Thai government believes is within its scope to provide, the official said.

Mr At said the Thai government strongly desired a treaty. "We have tried to push it many times. It now depends on the American government," he said.

However, a foreign lawyer suggested that Thailand had been dragging its heels in treaty talks because it "wants to scrap the Amity Treaty". This is a treaty between the US and Thailand that exempts American corporations from the Alien Business Law. The exemption permits Americans to own businesses in Thailand that are prohibited to investors from other countries. The Alien Business Law is being revised and there has been pressure from some countries to rescind the preferential treatment accorded to US nationals.

Another round of talks is to be held in Thailand at a date yet to be decided, the finance ministry official said.

One BOI official said that a US tax treaty agreement had already been reached. The US embassy refused to comment but a Thai finance ministry official the statement was "not true".

Mr At said a double-taxation treaty was important because it would stimulate US investment in Thailand.

U.S. Seen Using GSP as Negotiating Lever

BK2103071695 Bangkok BANGKOK POST in English 21 Mar 95 p 18

[FBIS Transcribed Text] Thailand is worried the United States will not restore General Systems of Preference [GSP] privileges to Thailand despite the kingdom's strong commitment to combat intellectual property violations.

The delay is a ploy for the US to negotiate with Thailand for Phaisan Insurance (Universal Insurance) to open more branches, which it cannot do under the life insurance law, according to Dr Tirana Phongmakaphat, adviser to Deputy Prime Minister Suphachai Phanitchaphak.

The company is 99.84 percent foreign-owned.

Thailand enforces its copyright law today. As a result, the US has to restore the GSP for 22 types of Thai goods exported to the US, according to an agreement between US trade representative Mickey Kantor and Dr Suphachai.

Dr Suphachai claims the Thai-US Treaty of Amity is being used as a tool to negotiate with Thailand, which faces a situation similar to China's. The US is using the GSP to lever Thailand into opening up its services sector.

Under the treaty, US-owned businesses operating in Thailand are granted the same rights as Thai companies.

Thailand's International Economic Policy Committee recently ruled that Phaisan Insurance was a type of fiduciary business and not subject to the treaty. Therefore, it could not use the treaty as a reason to open branches, according to the Life Insurance Law.

The 1967 law states that an insurance company that is not a branch of a foreign firm can open branches if it has approval from the commence minister.

Dr Tirana said Thailand would wait to see whether the US restored the GSP to Thailand immediately after the copyright law was enforced.

Dr Suphachai said the matter could lead to strains in Thai-US relations.

Under the GSP system, the US cuts import tariffs on goods from favoured nations. The US claims it withdrew the GSP from Thailand because the country violated intellectual property rights.

New Copyright Law Examined, Critiqued

Software Loopholes Seen

BK2103130795 Bangkok THE NATION in English 21 Mar 95 p B1

[FBIS Transcribed Text] One of the major reasons Thailand amended its 1978 copyright law was to allow protection of computer software.

But despite the amendments to the law, which will take effect today, some clauses remain ambiguous.

While the new law clearly defines computer software as intellectual property that is legally protected, it still contains loopholes and some aspects of software protection have to be determined by the court when it rules on the first software piracy case under the new law.

These loopholes are the reason behind the current dissatisfaction of the Business Software Alliance (BSA), a consortium of computer software companies whose products are currently being pirated.

One issue cited by BSA concerns the act of computer software copying. For example, the new law still provide clauses that allow software to be copied and used for "educational" purposes.

What kind of activities that would be interpreted as "educational" are still unclear.

Another major loophole, according to BSA, is whether the loading of pirate software which has already been stored on a computer hard disk before the new law takes effect today should be considered an act of software piracy. This act, if considered illegal, would regard anyone who uses pirate software as in violation of the new law. But Thai officials, especially those who are working for the Commerce Ministry, seem to think otherwise.

They said the issue could only be settled in court when the first case is presented.

Despite these major loopholes, the new copyright law has already begun to have effects on software piracy in Thailand. Therefore, business executives need to check the use of all software in their company to ensure no pirate software is in use.

To protect against illegal software, they must enforce protective measures within their companies (like issuing regulations prohibiting software piracy). Such warnings have caused many companies to remove any pirate software from use and they have begun to buy legal copies.

BSA said it plans as their first major target pirate software shops (most notably in Phanthip Plaza shopping centre) and will try to file a suit under the new law as soon as possible. The move, said BSA's legal representatives, was aimed not only at protecting intellectual property but also to shake down the Thai judicial system and provide precedents for later cases.

But how much success BSA will have is still to be seen. Thai officials, especially those in the Commerce Ministry, seem to downplay many BSA public announcements. For example, Deputy Commerce Minister Kopsak Saphawasu in a recent public interview said the software piracy figure in Thailand, which BSA said stands at 98 per cent, was grossly overestimated. The minister's comments also seemed to downplay the risk taken by individual who use illegal software. This led to pirate software copying spree before the law became effective today.

While the deputy minister's remarks were not well received over at the foreign ministry, they did reflect the attitude of Thai government officials in some quarters concerning software piracy. And if the enforcement of the new law is not up to BSA standards, the consortium has threatened to bring the case to the newly formed World Trade Organization (WTO), of which Thailand is now a member.

BSA also said it feared the lack of computer knowledge of Thailand's intellectual property law enforcement agencies and judges. This will lead to misinterpretations of the new law and may make them favour law violators, rather than the software owners whom the law was written to protect. However, law enforcers downplay the criticism and say that they are preparing to enforce the new law the best they can.

Even though BSA will gain some advantage from the new copyright law, they could still be only at the tip of the iceberg. To lower pressure from the government, BSA has intentionally said they will not target government agencies as a priority, even though some software companies estimate that half of all pirate software being used in Thailand is in the government sector.

But it is unlikely that software piracy in Thailand will go away no matter how much pressure is applied or how well the law is written. Instead many expect the trade to go deeper underground, much like pornographic videos or laser discs that can still be found behind the shops in some parts of Bangkok.

It is also unlikely that BSA, which says that individual users will not be its main target yet, will be successful enforcing the new law on individual users. It simply lacks the manpower to search out every home and street.

Impact of Law Outlined

BK2103125695 Bangkok THE NATION in English 21 Mar 95 p 1A, A8

[Report by Chirawat Na Thalang: "Impact of New Copyright Law Already Evident"]

[FBIS Transcribed Text] Vendors in the Phatphong red-light district were offering big discounts on pirated music tapes and videos last week.

"We have to reduce prices to get rid of our stock," one vendor said. "We're not sure if we'll be able to stay in business after March 21, when the new copyright law takes effect."

Finally, after years of uncertainty, casualties and increased trade tension, especially with the United States, local and foreign creators of works of art such as music, films and computer software will be fully protected from counterfeiting.

Hopefully, the image of Thailand as the notorious counterfeit center of Asia will become part of the past.

Piracy has been good business in Thailand. Over the years, busy streets in Bangkok have been turned into shopping centers for fake music and video tapes, most of them illegal copies of films and sound recordings from Hollywood.

The success of the trade prompted the Motion Picture Export Association, a powerful group of Hollywood studios, to petition the U.S. Trade Representative (USTR) about the deficiency of Thai copyright law.

Superstar Madonna refused to perform in Bangkok, citing lost revenue from the local fake cassette business.

For years; the USTR had Thailand on its watch-list and has linked a decision to take Thailand off the list to passage of the new copyright bill.

Statistics show how serious the issue is: in 1993, 85 percent of video cassettes sold here were allegedly illegal, and more than 80 percent of sound recordings. Illegal copying of software costs producers U.S. $135 million a year.

The Chuan administration has made a series of efforts to wipe out the trade. The Commerce Ministry has set up a special division to work closely with the Police Department to identify and raid bootleggers. A substantial number of stalls dealing in fake tapes have disappeared since then.

But the effort to pass a new intellectual property law has never been an easy task for the Thai Government. An obvious case in point was when former premier Prem Tinsulanon was forced to dissolve the House after failing to pass a bill in 1988.

Prime Minister Chuan Likphai, however, decided to take a political risk by pushing for the passage of an amended copyright bill, which safeguards performers' rights and offers explicit protection for computer programs. But this time round, the logic of the amendment which will benefit trade and investment was clearly overwhelming.

Apart from the pressure from the U.S. and the European Union, the government also felt the need to adjust the law to an internationally-accepted level, partly to give the country more clout at international trade talks.

Although opposition parties had threatened to block first reading of the bill, the administration finally succeeded in pushing it through.

Former Deputy Commerce Minister Churin Laksanawisit—the key man pushing through the new bill—emphasized that it will comply with international accords that Thailand has signed. These include the Berne Convention on the Protection of Literary and Artistic Works and the intellectual property rights agreement reached as part of the Uruguay Round of the General Agreement on Tariffs and Trade.

Above all, Churin said those who will benefit the most will be local artists, who should soon be able to capture a greater market share in neighboring countries. Local programmers will also be encouraged to produce more works because they're now assured of receiving all the benefits they're entitled to.

So what makes the new copyright law different from the Copyright Act 1978? Churin cited two new elements. The new law urges radio stations, television stations and night clubs to pay royalties to songwriters. The 1994 act also gives artists the rights to televised reruns of their performances.

Beyond protecting music and video cassettes from illegal copying, the new law also extends the scope of protection to artistic works, rental rights and computer software. Moreover, the government will specify clearly the period of protection of translation works.

What will make the new law effective is the clause on penalties for violations. Violators face up to four years imprisonment and a fine of up to Bt [Baht] 800,000.

Will piracy suddenly disappear from the market now the law has come into force? That might be too optimistic.

Asked whether he is satisfied with the new law, Alix Parlour Grice, vice president of the Business Software Alliance, told the Nation: "It is very difficult to be that precise. I think along with the wording, we need to see whether and how the law will be enforced."

But at the very least, the new law has ignited an awareness among vendors that Bangkok is no longer a safe haven for pirated goods.

Former Premier Examines Role of King

BK2103085495 Bangkok THE SUNDAY POST in English 12 Mar 95 p 17

[Interview with former prime minister Anan Panyarachun by Ms Roze Ali, staff writer of the NEW STRAITS TIMES—date and place not given]

[FBIS Transcribed Text] **Please comment on the role of His Majesty King Phumiphon Adunyadet.**

Thailand has been a kingdom ever since a state was founded nearly 800 years ago. It is only in the last 60 years or so that the King as Chief of State became what is now known as constitutional ruler, that is to say he is not above the law.

As a constitutional King, he has as much power and responsibility as, for example, the Queen of England, or the King of Sweden. So, that was the transition from the absolute monarch to the constitutional monarch.

It so happens that the present King is the longest-reigning monarch in the world. In a year and a half, he will have completed the 50th year of his reign. So, if you view it as his life or his career, our King has been a practising constitutional monarch for 48-49 years. That is an achievement in itself.

In Thailand in general, the institution of monarchy and the monarch or the King are consistently held in respect. But of course, throughout our history, whoever the King was and is, he has to earn the respect, has to earn the admiration and has to earn the recognition.

By birthright, of course, people are prepared to defer to him or her as our King, as our queen or as our monarch. But in modern times, the people look to his achievement look to his behaviour, and look to his personality.

Our present King is very much loved, genuinely loved and genuinely admired and respected by the people.

What are the grounds that actually make the people generally love him and admire him?

He is the most-travelled King in Thailand. He knows every remote part of the country. In his younger days, he used to trek, he used to walk up the mountains, he used to walk through forests because he has always been interested in the agricultural sector in Thailand, knowing full well of course that ours is an agricultural society. So in his younger days and even up till now he spends a lot of time in the remote provinces.

He would know every river, every stream, every creek, every mountain and every pass. He is a good map reader. He has well over 1,600 of what we call royally-sponsored projects, many of which are pilot projects, pioneer projects, dealing with irrigation, dealing with reafforestation, dealing with soil erosion, dealing with education, dealing with many aspects of life of poverty-stricken people.

So these were his daily doings and even without publicity, people would know that here we have a King, we have a monarch who just does not sit on the throne and idle his time away. Here is a hardworking monarch who looks into the interests, the well-being of his people and who wants to share his experience and his wealth as well as his time with the common people.

I think these are his personal characteristics that have endeared him to the nation. And, of course, in our political history in which we saw many upheavals, many bizarre sorts of episode, he had lent his aura, personality and status to smooth out the upheavals and overcome some of the national crises that came about.

What sort of intervention did he give during these crises? Was it direct or....

No, I think he did it in a Thai way. You see our King is a constitutional monarch and he is very careful that he does not go beyond his constitutional role. He knows that as a constitutional monarch, he only has three duties.

The first one, he has the right to be consulted, so he has the right to be consulted by the prime minister or by the government. Second right, he has the right to warn and then he has the right to encourage. He keeps strictly to the three rights that he has.

But of course, in the Asian sort of tradition or in the Thai historical perspective, there are certain rights bestowed upon the King, not by the legal system but by the popular will of the people.

So I think in the Thai scene, the Thai people, as compared to the English or to the Swedish, are prepared to confer on our King more rights and more duties than the Swedish or the English people are prepared to give their king and queen. But these are not rights conferred upon them by law, but because of our respect, because of our admiration and because of our love and reverence.

So, in a way, our King does wield certain indirect influence over the working of the government but he has always done it very discreetly. He has always done it in a way which does not benefit him directly or indirectly. He does not do it for his own good; he does it for the good of the nation. I think that the Thai people are well aware of that.

So when you talk about his intervention, it is not an intervention in the normal sense of the word. That it is an intervention at a very last minute—in a way at the behest of his own people. People were waiting for him to intervene. If you read the events of those days correctly, you would appreciate the timing of his intervention.

So he does not intervene just for the sheer exercise of intervention but he knows the time is right and the nation cannot tolerate such a situation any longer. Then he would "come down" in a Thai sense of the word and do something about it. And that automatically within a second, the whole crisis would disappear. And all these interventions were made strictly for the benefit of the people, the well-being of the people and for the good of the nation.

One thing I find so remarkable about the Thai King is that when ho intervened during these crises, within seconds, normalcy is restored to the country, the military just obeyed whatever he advised them ...

Yes, in a way, he acted just like the headmaster, telling off his students ... come on ... stop being naughty. But he has earned that right. It is not a divine right, not that every king can do it. I mean after all, you have to run the risk of trying to be a headmaster and telling off the students and the students would rebel further. There is always that element of risk.

In your view, why is it that the military respect the King so much?

Well, our military, whatever their shortcomings, whatever their weaknesses, they basically are loyal to the monarchy, to the King. Their loyalty to the institution and to our present King are absolute. So I think this is something which is unique.

What do you think is the most significant contribution of the present King to the country's development?

Well, his utterances and his statements, you know, in whatever context at whatever time, are very often heeded to and are very often followed. He acts as a kind of guiding light, for people who occasionally have to grope about in darkness or in a mystical condition, the kind of father figure.

And of course he has to follow certain ways, his royal rituals; and yet he is a man with his feet firmly on the ground and he can talk to common people just like another fellow Thai citizen, no protocol—nothing in between him and the people in Thailand.

Do you find that he follows the country's development very keenly?

Very keenly, particularly in the agricultural sector. I mentioned over 1,500 royal projects he initiated and he even initiated some royal projects in Laos at the request of the former Head of State of Laos, Mr Kaysone [Phomvihan].

Why is there particular emphasis on agriculture?

Well, the livelihood of 60-70 per cent of our workforce is still dependent on agriculture and in a population of 59 million people, you have to count about nearly 30 million people in that sector and that is where the poverty lies.

The rising middle class only pertains to the urban people and the people in the commercial or industrial sector. The agricultural labour force does not move up the ladder, they remain relatively poor. That is why it is always His Majesty the King's consideration in alleviating the plight of the farmers, helping the farmers, being in closest touch with the farmers.

In terms of economic policy-making, is the King actually advocating any kind of advice?

No. As a constitutional monarch, he has the right to be consulted, so the prime minister of Thailand would have the privilege of being received in audience by the King once a week or once every two weeks.

As a prime minister, you have the duty to report certain policy, certain major developments to him. The frequency of the audience depends on many factors, but once you made the report you clarified the situation to His Majesty, then His Majesty would feel it is in his constitutional right to respond or to express opinion.

During your experience as a premier of Thailand, and during your visit to the King, what sort of ...

Well, the conversations between a prime minister and the King are, at least in my own case, all confidential. They are private nature. But of course, there are certain matters that I can reveal whenever I want to embark on a major policy or major policy change.

I would report to him particularly on matters which need legislative action because all the bills that are passed by the Parliament would have his signature. So it is your duty to report on all matters which go into Parliament which would need enactment and would eventually need royal signature. So that is one area of reporting.

Another area of reporting is that you know what his interests are, so be it the construction of a dam, be it the construction of irrigation canals or planning this or that, you talk to him. It is not by way of reporting, it is by way of keeping him fully informed of what your government is doing or what it is aiming to do and keeping him abreast of the events that he should not be caught off guard or by surprise.

So, that is his right to be consulted and he has maintained that right very strictly and of course he has two other rights, right to encourage and right to warn.

I suppose, whenever he feels the government is moving in the right direction, he would encourage them, and if he feels that we are sort of veering off the main path, he would warn us. But those are limited rights on their own, imposed by law. But his personal influence, his personal thinking into the work of government would vary from one king to another.

It so happens that this King is a very experienced King and still a practising King, who has devoted his entire life to the public good. He is in fact our public servant number one in Thailand. And mind you, he is also accountable.

In what sense?

Well, what he does is seen by the public. Not accountable in the legal sense of the word, but ... there is transparency in what he does or what he is doing.

That is unique.

I would say he is unique. He cannot be compared to any other kings around the world. But as I said, you know, what he is today is not what he was when he ascended to the throne 48 years ago. So there are certain features of his kingship that have accumulated by years of experience. People have trust in him.

When you were Premier, what sort of role did the King play?

Our King has the way of sending signals to people. You have to make sure that you understand his signal because in his position, he cannot say "yes" or "no" or "yes, I like that", "no, I do not like that" because he is constantly aware of his constitutional limitation. So you really have to be able to read his signal because sometimes his signals are not loud and clear.

His Majesty the King is a man of tremendous self-discipline. When he went into the monkhood, he studied religion very religiously, and now he is the man of self-discipline. He understands reality of life. He knows that certain things cannot be changed. And he has, in Thai language, we say he has no "atta" [preceding word in italics], he has no "ego". He has no sense of self-importance. The word "atta" cannot really be translated into English. It is a word in the Buddhist teaching but it is similar to "ego".

He is completely detached. When you say people have attachment to persons, or to an object, attachment to love, attachment to jealousy, attachment to individual, attachment to respect, attachment to power, attachment to position, attachment to wealth, to be a really good Buddhist, you must dispossess yourself of all these attachments.

So, you sort of dispossess yourself of your own ego. You only do it for the good of the community, for the public good, that is how he conducts his daily life. This is my own interpretation.

It would be unfair to make a comparison between the Thai King and other monarchs because after all, I have never lived under other monarchs and the fact that I was prime minister twice has given me the opportunity to see him at close range and to observe his conduct of affairs.

As an observer of the monarchical scene, definitely, the institution and the King himself are held in a much higher degree of respect and admiration than in most other countries, perhaps with an exception of the Japanese Imperial Family, the Emperor of Japan. But there again, because of the constitutional constraint and tradition, the Emperor of Japan has not been able to get close to the common people.

You know there is a dictum that the King can do no wrong. In our case, the King really can do no wrong.

BOT Chief Views Worldwide Economic Problems

BK2103090595 Bangkok THE NATION in English 21 Mar 95 pp B 1, 2

[FBIS Transcribed Text] Bank of Thailand [BOT] Governor Wichit Suphinit yesterday cited five chronic worldwide economic problems which will continue to wreak havoc on financial markets to the extent that the era of quick and hefty profits may be over.

Speaking on the topic 'Impacts of Financial Crises to the Thai Economy', organized by The Reporters Association of Thailand, Wichit said the current financial shock wave will continue.

"The changes will come now and then; and the world's financial structures won't be the same as before," he said.

Much of the financial havoc, he said emerged out of the world's five major problems. Wichit said the chronic US trade deficit to Japan won't be solved quickly.

The turbulence in the European Union's Exchange Rate Mechanism (ERM) is also unlikely to come to an end soon either, he said. It is possible that the problem will intensify as some northern European currencies are rumoured to be devalued to fall under the ERM system.

Third, the Japanese economy won't recover so soon. Although the stronger yen will trigger another round of investment relocation to the rest of Asia, the short-term financial mood for Japan is still subdued, he said.

In Latin America, another round of financial crises is looming, he said. Aside from the notorious Mexico case, Argentina has bad economic symptoms, so much so that the International Monetary Fund (IMF) is keeping a close eye.

Finally, the high growth Asian economies have been placed under so much pressure that they must grow further and compete harder into the next millennium. "All of this has one way or another sent a shock wave to Thai financial markets," he said.

But Wichit is highly optimistic that in the medium term, Thailand will be able to absorb much of the change quite remarkably. With the official reserve up to US$30.1 billion in February, low inflation rate of 4-5 per cent, low debt service ratio, "we have adjusted quite well in the crisis after crisis situation during the last two months," he said.

Governor Wichit said the Mexico devaluation, the Kobe earthquake, the European Union's flood, the Barings bankruptcy and the greenback plunge do effect Thailand.

But it is not because of Thailand's financial liberalization policy, he insisted.

"Even if we refused to open our markets, we will still be hard hit by the turmoil. This is because we depend on capital inflow of Bt250-Bt350 billion annually or an average of Bt20-Bt30 billion each month," he said, "in the past two to three months, this flow has stopped dead."

Wichit admitted for the first time that the Bank of Thailand injected up to Bt50 billion cash on a single day earlier this month to add liquidity to the extremely tight money market. On average, the bank pumped in Bt30-40 billion daily during the crisis.

But he said even if the interbank rate drops to two per cent, the stock market is not likely to improve.

Wichit went on to say that a series of turmoils actually do good to Thailand. In view of the fear that the Thai economy is overheating, the crises did cool down the heat, he said. Endless figures such as 22 per cent export growth in 1994, the high capital inflow and the capacity utilization which has now peaked showed that the country can become overheated a little too soon, he said.

China Offers Fishermen Use of Spratly Shelter

BK2103044495 Bangkok THE NATION in English 21 Mar 95 p A3

[FBIS Transcribed Text] Beijing—China has offered to allow foreign fishermen to use a structure it built on Mischief Reef—a tiny but potentially oil-rich islet in the disputed Spratly Islands—during talks with Foreign Minister Krasae Chanawong, who is there on a three-day official trip.

Beijing also expressed its desire to see a peaceful solution to the problems in the South China Sea, saying the country wants peace both within and beyond its borders at a time when it is gearing itself for full national development.

Beijing's offer, made by Chinese Foreign Minister Qian Qichen, comes just two days after all six member states of the Association of South East Asian Nations (Asean) issued a joint statement calling for the early settlement of the dispute over the Mischief Reef between China and the Philippines.

The Spratly Islands have been wholly or partly claimed by six states, including three members of Asean.

Senior government ministers of China and the Philippines began bilateral talks in Beijing yesterday to resolve the dispute over the Chinese outpost on the islet.

The Chinese minister also offered to allow other foreign fishermen to make use of the shelter, said Sombun. [sentence as published]

'European Union' Voices Concern Over Burma

BK1903093695 Bangkok THE NATION in English 18 Mar 95 p A4

[From the "Letters" Column]

[FBIS Transcribed Text] The European Union has followed with great disquiet the development of the situation in recent weeks on the border between Burma and Thailand. Following the military operations conducted against the Karen, the European Union made a representation to the director-general for political affairs of the Burmese Ministry of Foreign Affairs in Rangoon on Feb 15, 1995. In doing so, the European Union voiced serious concern at the consequences of this offensive and at the flood of refugees to Thailand provoked by the military action.

The European Union wishes to express its grave anxiety at the continuation of military operations against the last pockets of resistance of the Karen National Union on the Burmese-Thai border, in total opposition to the policy of national reconciliation preached by the Burmese government. It wishes to reiterate in this connection its hope that a peaceful solution will be found quickly for the problem of the ethnic minorities.

The European Union would also reiterate its concern at the extension to July 11, 1995 of the period of detention of Mrs Aung San Suu Kyi.

Embassy of France
Bangkok

Wimon Terms Burma Conflict 'Internal' Matter

BK2103070395 Bangkok BANGKOK POST in English 21 Mar 95 p 11

[FBIS Transcribed Text] Thailand will not interfere with Burma's internal affairs but will provide assistance on humanitarian grounds to refugees suffering under heavy fighting, Army Chief Gen Wimon Wongwanit said yesterday.

"We insist we will neither get ourselves involved in the internal matters of Burma nor support any activity against its government," he said.

Gen Wimon said he received reports that 20 members of Khun Sa's Muang Tai Army [MTA] had fled into Thailand and those injured were receiving treatment as part of humanitarian assistance.

He denied the arrangement was intended to help the MTA.

Those being helped would be disarmed on Thai soil and sent home as soon as the situation returns to normal.

Report Sees Lack of Press Freedom in Vietnam

BK1803085695 Bangkok BANGKOK POST in English 17 Mar 95 p 4

[Report by Jeff Heinrich in Ho Chi Minh City]

[FBIS Transcribed Text] The press in Vietnam is freer than before the country's move to a market economy in 1987. But there is no press freedom.

All domestic media are fully or partly owned by the government. All media must be licensed by Hanoi.

"The government is right to control the press. It has to be strict because our country is still emerging from the old system, the old (communist) way of doing things," says 45-year-old Tran Ngoc Chau, editor of the English-language weekly business magazine SAIGON TIMES.

The publication is owned by the city administration but controlled by Tran and other shareholders. "It's the same in all of Southeast Asia, but the difference here is that all journalists are considered public servants. Nevertheless, most reporters feel free to write. They're very brave and very knowledgeable. In my opinion, journalists are intellectuals; they have to feel free in order to write. Otherwise they will stop being journalists," he says.

Taboo subjects die hard. In a country where one political party is supreme and only a handful of token independents sit in opposition, talk of bringing back multi-party democracy is forbidden. Criticising the government is one thing—anything decrying corruption and the slow pace of reforms is especially encouraged—but calling for its radical transformation is quite another.

"Now the press is more progressive, is freer to write what it likes, publish letters from its readers, criticise the government, help it to change," Tran says. "But a multi-party system—that's something people don't feel is necessary here. People don't care about the Communist Party except for what it can do for them."

And what it can do for them, in the worst case, is shut them up. When Canadian Prime Minister Jean Chretien raised the issue of human rights with his Vietnamese counterpart in Hanoi last year, the government-owned French-language daily LE COURRIER DU VIETNAM squelched a transcript of Chretien's comments which one of its more industrious journalists had gone to the trouble to translate.

When a US journalist working for the weekly VIETNAM INVESTMENT REVIEW in Hanoi wrote a story last year on a new casino opening in the northern port city of Haiphong, with state approval, government editors banned the story, saying it was premature.

Sometimes censorship is heavy, sometimes it is petty. Government recently shut down a metallurgy magazine because it was running too few stories on the metals industry and too many on more enticing subjects, such as cannibalism and polygamy.

The closure came on the heels of another: a weekly shut down for running an article criticising a government ban on firecrackers.

Foreign publications printed in Vietnamese do not fare much better: in November, censors impounded 17,000 copies of the inaugural Vietnamese issue of Femme, a women's magazine published in Singapore, because of photos showing richly clad models posing with Vietnamese peasants.

Foreign journalists—restricted to having offices only in Hanoi, where the government can watch them—routinely speak of being leaned on by the government after critical stories appear under their byline.

"A comment here, a self-evident truth there—they let you know in a sly way, but you get the message," says Agence France Presse bureau chief Philippe Agret.

This year, the Vietnamese ratcheted up the criticism a notch. Vietnam and France had a major falling-out after French Culture Minister Jacques Toubon awarded a top French award to dissident fiction writer Duong Thu Huong.

For his reports on the award, Agret found himself attacked in the press by the country's highest-ranking official journalist, Do Phuong, a member of the communist party's central committee and director of the Vietnam News Agency.

Such open attacks are rare, however. Most censorship reflects a Vietnamese cultural axiom: do not say directly what you can say indirectly. It is usually considered rude to address a point baldly and flatly. And when information is not direct, it is not fast.

"In Germany, you call up a company like Sony for a story, and it's no problem—you get the information and the cooperation you need," says TIMES journalist Huynh Can Tung, just back from a two-month journalism course in Berlin.

"But here, when you call up a company, nobody wants to talk, certainly not over the phone. Take a look at articles in the Vietnamese press: what they consistently lack are facts and figures. Nobody likes to give out numbers in this country. They consider everything private, not for the eyes of competitors or the government."

Army Chief on Influx of Cambodian Workers

BK1703135895 Bangkok BANGKOK POST in English 17 Mar 95 p 12

[FBIS Transcribed Text] Army Commander-in-Chief Gen. Wimon Wongwanit yesterday warned a group of Thai people to stop importing Cambodian workers to Bangkok.

He said it was for the sake of national security.

Gen. Wimon said 50 to 60 workers entered the capital illegally each month.

He said a lack of discipline among Cambodians is even more serious than the incursion of the Cambodian army.

The army chief also cited reports of incidents involving the murder of Thai villagers by Cambodians, and widespread arms smuggling which was causing unrest along the border.

If more Thais are murdered and the incursion is allowed to continue, the army will have to take drastic measures to deal with the problem, said Gen. Wimon.

And Cambodia must be held fully responsible for the death of 22 Thai logging workers last year, he said.

The workers belonging to BLP company were believed slain in order to encourage the army to take action against a Cambodian army faction.

Gen. Wimon also warned Thais living in the North not to fall victim to the "proxy war." It is becoming increasingly common for Thai villagers to be persuaded or hired to join foreign drug traffickers in the guise of rebels fighting to liberate their country.

These people usually receive basic military training and are used by traffickers—who are understood to be followers of drug warlord Khun Sa—to help fight their opponents, said Gen. Wimon.

He said owing to a long common border with Burma, it was difficult for Thailand to block the flow of Karen refugees fleeing fighting between the Karen National Union and the Rangoon army. A large number of refugees slip into the country through various points in Mae Sot district, Tak. It is easy for them to seek refuge at the refugee camp in the province.

Gen. Wimon said the problem in Burma would be more quickly resolved if various organisations are barred from interfering in the country's internal affairs.

Insurance Industry Approaching Liberalization

BK2103080095 Bangkok BANGKOK POST in English 21 Mar 95 p 17

[Report by Walailak Kiratiphiphatphong in Chiang Mai]

[FBIS Transcribed Text] The liberalisation of the Thai Insurance industry has come closer to reality, with the Commerce Ministry scheduled to seek approval from the meeting of the Council of Economic Ministers next Monday to issue more insurance operating licences.

The move demonstrates the efforts of the Government to comply with the implementation of the Uruguay Round of the General Agreement on Trade in Services, through widening the market for both local and foreign investors.

Commerce Minister Uthai Phimchaichon said at the weekend that he would ask the Council of Economic Ministers to give the nod for the industry's liberalisation package prepared by the Insurance Department.

The three stages of liberalisation prepared by the working committee, chaired by then-acting permanent secretary for commerce Sanit Worapanya and submitted to Mr Uthai for a year, offered a gradual market opening in order to protect local business.

If approval comes next Monday, the first insurance operating licence after 12 years of closure will be issued to Saha Life Insurance Co, a company established by and for agricultural cooperatives nationwide.

The Cabinet earlier endorsed the establishment of Saha Life Insurance, believing the company would be an insurance body for members of cooperatives and provide services with lower premiums.

Mr Uthai said the insurance market opening would be introduced on an across-the-board basis. Currently, there is only one applicant from Saha Life Insurance pending at the Insurance Department.

Some conglomerates including the Charoen Phokkhaphan Group and Sahawiriya have shown an interest in applying for licences, but their applications have yet to be submitted to the department.

Deputy director-general Photchani Thanarawanit, who is also on the working committee, said the three stages were laid depending on the necessity to liberalise the market.

The first stage is for local investors, and the ministry will issue no-limit licences to qualified applicants during the limited timeframe.

Only applicants who met the requirements of the new rules would obtain the licences, she said.

This stage could be undertaken promptly if approval from the Cabinet is forthcoming.

The second stage is to lift the ceiling of foreign shareholdings in local insurance firms from 25 percent to 49 percent, but this will take longer as it needs the 1992 Life and Non-Life Insurance Laws to be amended.

Third is a full liberalisation that will allow more foreign insurers to set up branches in the country. However, Ms Photchani said, such full liberalisation in Thailand might happen at least in the next five years.

Stricter regulations to ensure that the applicant has a genuine intention and stable finance to run the business including large amounts of registered capital will be laid.

The minimum registered capital for a life insurance company is 500 million baht, and 300 million baht for nonlife insurance, while a deposit amounting to 15 percent of the registered capital has to be place with the Insurance Department at all times.

The company's management plan, source of premium and lists of members of the management team are required. The company awarded a new licence must be registered within 90 days and start operations within 180 days of getting the licence from the ministry.

Ms Photchani said a committee would be formed to examine the applicants' qualifications.

Meanwhile, Sunthon Bunsai, president of the Thai Life Assurance Association, said Thailand could not avoid world trends. To survive in the business, local insurers must strengthen their efficiency in operation and staff to cope with fiercer competition.

There will certainly be problems of personnel shortages, especially at the managerial level.

Mr Sunthon suggested that the department introduce more regulations to prevent speculation by not allowing new licences to change hands.

He said the ministry should dismiss applications from some speculators who only wanted a licence and applied for a new insurance firm to be listed on the Stock Exchange of Thailand.

Vietnam

Do Muoi Affirms Commitment to Economic Reform

BK2103074395 Hanoi VIETNAM ECONOMIC TIMES in English Feb 95 p 30

[Interview with Do Muoi, general secretary of the Communist Party of Vietnam by unidentified correspondent; place and date not given—passages within slantlines published in boldface]

[FBIS Transcribed Text] **The Party is revising the implementation of what was decided at the Seventh Party Congress and is preparing for the Eighth Congress. How have things gone so far with implementing that resolution?**

In a very difficult situation domestically and internationally, the Seventh Congress in June 1991 thoroughly analysed the situation and decided to continue with doi moi [renovation], which itself has received strong support from the people of this country. We have managed annual economic growth of about eight per cent for four consecutive years. Things have gone well in all sectors of the economy and many state, collective, private and individual enterprises have been performing extremely smoothly. Most people's living standards have improved markedly. There have been a lot of positive cultural and social developments, especially in health and education. National security and defence have been consolidated, political stability has been maintained. The achievements of the last few years allow us to enter a new stage of development, that is, the initial stage of what we call industrialisation and modernisation.

What are the Party's strategic instructions when it comes to the next stage of development?

Industrialisation and modernisation are the focus of the transitional period to socialism in Vietnam. This is the leading instructive throughout our activities and the decisive factor to bear in mind if we are to avoid being left behind. The economy must grow to catch up with other countries in the region and with those in the wider world. Industrialisation and modernisation mean that there has to be a proper dynamic between the forces of production, the economy and the country's socioeconomic culture. There has to be a relationship of mutual interest among different sectors of the population and among different areas in the country. Special attention should be paid to the relationship between economic and cultural development, education and health improvement, and the practice of social equity. We have to stick to a commitment to multisectoral economic development, paying heed to the development of the state and collective sectors so that they can take a leading role in the economy. But at the same time we must encourage the development of other sectors. We should reform the public administration to sharpen management and, again, the role of the state in the socioeconomic policymaking process, in monitoring and controlling, in using macroeconomic tools to create favourable conditions and an environment for all sectors to get involved in the development of the country equally. We should stick with an open foreign policy of diversifying international relationships, so that we can take advantage of opportunities for cooperation and investment in terms of capital, technology and managerial expertise, bearing in mind one golden rule: although we need help from the outside, our indigenous strength is decisive.

What is the role of the Party in all of this?

To ensure the success of doi moi, the key point is to adapt the leading role of the Party to the development needs of the country. We have to make the Party transparent and strong, to promote criticism and multifaceted knowledge on the part of Party members, to train members to meet the needs of the new situation. We have to bear in mind the concept that people are the nation's most important resource. Therefore, we should have a national plan for the development of that resource, whereby we enhance the diligence, intelligence and creativity of the Vietnamese people in the development of the new society.

You talk about "the way to socialism in our country". The Party has frequently reaffirmed the socialist orientation of the country's development. Is socialism key to the future of Vietnam?

Having fully understood and developed Ho Chi Minh's ideology, the Party set objectives to deal with creating national independence, a wealthy people, a powerful nation, and an equitable and civilised society. That is in fact socialist orientation and what the people are pursuing. Socialism is not an abstract notion but something very close to us. One step in realising these contents constitutes one corresponding step to the dignified objectives of socialism. Therefore, socialism is not only an issue with relevance to the future but one to the present. In order to have a castle in the future we must start building the foundations right now. Our people are trying to implement doi moi, giving rise to and developing more and more socialist elements in the daily life. I'd like to take this opportunity to wish the Vietnam Economic Times every success and to make more contribution to the introduction of Party and government policy, to encourage good examples, profitable enterprises and individuals, to introduce good experiences in out of the country and to point out the bottlenecks and obstacles to be overcome in order to make an active contribution to national development.

Efforts To Meet Demand for Steel Reported

BK2103090395 Hanoi VIETNAM ECONOMIC TIMES in English Feb 95 p 12

[Report by Phuong Linh]

[FBIS Transcribed Text] Vietnam has been setting up joint ventures in the steel sector since 1992 but this will not be enough to plug huge demand from the construction industry and the country will still have to rely on imports to make up a shortfall of around one million tonnes annually by the year 2000.

"At the moment and until 2000 (the idea will be) we set up joint ventures to build mini mills," Chairman of the Vietnam Steel Corporation (VSC) Ngo Huy Phan told the Vietnam Economic Times. "But after 2000 we will build large steel factories."

Local production last year was a mere 300,000 tonnes but by establishing joint venture mills and upgrading a few of the existing locally-run mills, Vietnam should be able to lift this to 2.5 million tonnes by the year 2000, he added.

But even this will not be enough. Domestic demand is estimated to rocket to three to 3.5 million tonnes by 2000, from 700,000 tonnes in 1994, VSC estimates show.

One industry official said that Vietnam spends $200 million annually on steel imports.

A recent VSC report says that 1994 imports amounted to 528,000 tonnes.

A government directive has fixed this year's imports of ordinary steel at 600,000 tonnes.

Developing countries tend to build large steel-making facilities to boost demand but demand for steel in Vietnam is so high that it cannot afford to wait for large steel mills to be built. It also does not have the money to build them.

The country's only large steel mill, the Thai Nguyen Iron and Steel Complex, is huge but dates from the 1960s. Building a modern replacement would take too long even if funding were available, industry analysts say.

The short term solution will be to attract foreign steel firms into building smaller mills that come on stream relatively quickly.

"From now to the year 2000, the steel sector will concentrate on building mini mills for construction steel, small scale factories that produce steel plate and raising the capacity of existing mills," VSC's Phan says.

However, this year does mark a turning point in the Vietnamese steel industry, with four newly-built rolling mills coming into operation (Vina Kyoei, VPS [expansion unknown], Nasteelvina and Vinausteel).

Over the past four years, six steel joint ventures have been signed with Japan, South Korea, Singapore and Australia. Most are fairly small mills, capable of producing no more than 300,000 tonnes a year.

Of these, the two largest are Vina Kyoei and VPS. Vina Kyoei is a four-way venture between VSC and three Japanese corporations (Kyoei Limited, Mitsui and Itochu) which have invested $54 million in the Vung Tau mill, capable of churning out 240,000 tonnes a year.

VPS is a joint venture between VSC and South Korea's Posco and is still building a rolling mill in Haiphong with a capacity of 200,000 tonnes a year. The total investment is $56 million.

The Japanese appear to be ready to invest more. Koichi Takashima, President of Kyoei Steel, said during a visit to Vietnam in late 1994: "Regarding Japanese investment in the steel industry we are the first Japanese to come. We have strong intention to invest in mini mills and see in Vietnam a big market for construction steel."

The rhetoric is backed up by action: Vina Kyoei plans to double the capacity of its existing mini mill and is negotiating with potential Vietnamese partners on a steel factory in Danang.

However, in terms of numbers of foreign-invested mill, Posco has taken the lead with three. Company officials say their Posvina project was running at a profit not long after it started in 1992.

"We are the first to come into the steel industry in Vietnam," says Su-Jin Oh, Posco's General Manager. "We have plans to expand Posvina with a continuous galvanising line and to build a mini mill in Haiphong."

However, one major worry for foreign steel firms is that steel imports have resulted in stockpiles and price fluctuations as traders distort pricing through barter and by dumping.

The government in December decided that the Ministry of Trade will issue import licences in proportion to the amount of demand.

"We look forward to and hope that the (Vietnamese) government will get stricter in its control of market demand and imports of this commodity," says M. Mori, Director General of Vina Kyoei. "We are a major Japan-Vietnam joint venture that is involved in production. If we are successful there will be many more Japanese investors coming to Vietnam. They are watching us."

Pilot Hyundai Gas Pipeline Damaged

BK2103090195 Hanoi VIETNAM ECONOMIC TIMES in English Feb 95 p 39

[Unattributed article: "Gas and the Pipeline"]

[FBIS Transcribed Text] As part of the move to get the country's gas industry off the ground PetroVietnam has invited a consortium of multinational energy companies to fund and build a natural gas pipeline off the southern coast.

The gas would be pumped onshore from the Nam Con Son Basin, near the Dai Hung [Big Bear] Oil Field. Exploration to determine any commercially viable hydrocarbon finds is still going on.

The pipeline is just part of a wider gas master plan that will provide a framework for gas usage and development.

But companies to participate are cautious about involvement at this stage, partly because Vietnam's gas potential has yet to be determined.

One company executive pointed out that in most other countries the state oil firm, or the government, usually built and paid for their own pipelines.

They are also concerned about damage to a pipeline which was built by South Korea's Hyundai Corp. The pipeline is to serve the Bach Ho [White Tiger] Field and the damage is estimated at $15 million.

The pipeline is a pilot project and is also the country's first offshore gas pipeline. PetroVietnam put the project out to tender in 1993 with the contractor, Hyundai, to be paid on completion.

The 150 km line has been built at breakneck speed but ran into delays when it was damaged in December, possibly by the barge's anchor wire.

Hyundai executives say it was most probably a VietSov-Petro ship while PetroVietnam says that it could have been any number of vessels operating in the area.

PetroVietnam Chairman Ho Si Thoang said an investigation was being done to find out who was responsible.

Meanwhile the pipeline, which will run from Ba Ria to the Bach Ho field, has been delayed by up to three months. The gas will eventually be used to fuel the Phu My power station.

PetroVietnam sources say the pipeline should be sealed in time for work to continue as normal by March.

Liability for costs as a result of the damage have to be sorted out also. Foreign oil firms are also looking for a speedy and smooth settlement to the issue and are taking it as something of a test case in terms of energy dispute resolution.

A major oil and gas conference is to be held in Ho Chi Minh City from March 1-3. One panel discussion to watch will be one on PetroVietnam's relations with foreign firms.

Australia

Space Council Approves Russian Launch Study

BK2103040095 Melbourne Radio Australia in English 0100 GMT 21 Mar 95

[FBIS Transcribed Text] The Australian Space Council has approved a plan for Russian scientists to carry out a feasibility study on the northern city of Darwin and two other sites for a satellite launch facility. The two other sites are at Woomera in South Australia and in southern Western Australia.

Lorraine Davies reports the Russian scientists want to use small rockets to put satellites into orbit.

[Begin recording] [Davies] Council Chair Don Watts says the Russians would use their many START missile rockets—formerly offensive war weapons.

[Watt] But they are available now for peaceful use and that deployment of them is something which has been approved by international agreement.

[Davies] Dr. Watts says the rockets are abundant, have been much tested and had proven highly successful. He says the Russian scientists will look at a few sites around Darwin and evaluate them for their suitability in getting rockets into the air across the northern part of Queensland and into orbit.

Bilney Urges PNG on Reforms in Mining Sector

BK2103034195 Melbourne Radio Australia in English 0100 GMT 21 Mar 95

[FBIS Transcribed Text] A senior Australian Government minister has warned Papua New Guinea [PNG] to undertake reform in its mining sector or suffer serious economic problems. Australia's federal minister for development cooperation, Gordon Bilney, told a mining investment conference in Sydney that reform in the public sector and spending on infrastructure were important in assuring the future.

Mr. Bilney said so far the benefits of PNG's mineral boom had been lost to its economy.

[Begin Bilney recording] That sector, I think everyone would agree, is the hope of the side for PNG's economy and if it is not run right, then I think we have to be very gloomy about the prospects of PNG's economic future.

I think the lesson is that when you have a mining boom you should put aside part of the profits to invest in your future—to invest in your own people—and that means better schools, better hospitals, more roads, more infrastructre to guarantee the future rather than spending all that money now. [end recording]

Fiji

Civil Aviation, Tourism Minister Resigns

BK2003164495 Hong Kong AFP in English 0824 GMT 20 Mar 95

[FBIS Transcribed Text] Suva, March 20 (AFP)—Fiji's minister for civil aviation and tourism, Harold Powell, has resigned over differences with Prime Minister Sitiveni Rabuka, government sources said here Monday.

Their dispute concerned the appointment of board members to the island state's Civil Aviation Authority (CAA).

Powell is believed to have handed in his resignation on Friday and is awaiting its acceptance by the Prime Minister. No comments could be obtained today from either the minister or the Prime Minister.

But according to government sources, an emergency Cabinet meeting called Monday to discuss the resignation had to be called off when only eight ministers turned up.

The controversy flared when Powell submitted a CAA board list to the Prime Minister for approval. Rabuka is understood to have rejected some of the names, substituting them with his own nominees.

The conflict once again tests the coalition between Rabuka's SVT party (the Soqosoqo ni Vakavulewa ni Taukei) and the General Voters Party of which Powell is a member. GVP sources say the party is waiting for Rabuka's response to the resignation before taking a stand on the issue.

This is the second time Powell is seen to have been slighted by the Prime Minister. The first was last year when Rabuka suddenly took over the civil aviation portfolio from Powell because he was unhappy with an air services agreement drawn up with New Zealand.

The portfolio was returned to Powell after another member, Transport Minister Leo Smith, had been slighted when the Prime Minister overturned his decision to sack the Ports Authority chief executive.

The General Voters Party, comprising a minority grouping of Europeans, mixed race, Chinese and Pacific Islanders, have four seats in Parliament. Two are ministers.

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